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AGENDA

PUBLIC UTILITIES COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

REGULAR MEETING

January 12, 1999
1:00 P.M.
Room 402
1155 Market Street, Fourth Floor

1st Post ed 1/8/99

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COMMISSIONERS

Ann Moller Caen, President
Robert K. Werbe, Vice President
E. Dennis Normandy
Victor G. Makras
Frank L. Cook

DEPARTMENTS

Water Department
 City Distribution Division
 Water Supply & Treatment
Hetch Hetchy Water & Power
Clean Water Program
 Water Pollution Control

BUREAUS

Commercial Land Management
Customer Service
Environmental Regulation and Management
Finance
Management Information Systems
Personnel and Training
System Planning and Regulatory Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

Disability Access

The Public Utilities Commission meeting will be held in Room 402, 1155 Market Street, Fourth Floor, San Francisco, CA. The Commission meeting room is wheelchair accessible. The closest accessible BART station is the Civic Center Station at United Nations Plaza and Market Street. Accessible MUNI lines serving this location are: Muni Metro Lines J-Church, K-Ingleside, L-Taraval, M-Oceanview, and N-Judah at Civic Center Station; and surface lines 9 and 9X San Bruno, 19 Polk, 26 Valencia, and 71 Haight Noriega. For information about MUNI accessible services call (415) 923-6142. Accessible curb side parking has been designated at points in the vicinity of the meeting location adjacent to the Main Library.

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Know your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code)

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils, and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force, 401 Van Ness Avenue, Room 402.

San Francisco Lobbyist Ordinance

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance [SF Admin Code § 16.520-16.534] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 1390 Market Street #801, San Francisco, CA 94102, telephone (415) 554-9510, fax (415) 703-0121 and web site <http://www.ci.sf.ca.us/ethics/>.

1155 Market Street Fourth Floor Meeting Room Safety Announcement

If there is an emergency that requires meeting attendees to evacuate the building, everyone should exit the building in a calm manner using one of the two exit stairways. **Do not use the elevators.**

Your primary exit stairway is located through the elevator lobby and to the right past the restroom. If the exit is not useable, PUC staff will direct you to the alternate exit.

All exit ways are marked by green overhead exit signs. In the event that the building alarm is activated, fire doors that are usually left open may close but they will not lock. You may have to go through a closed door to reach the exit stairway.

If you require assistance in evacuating, please request the aid of PUC staff.

ORDER OF BUSINESS

1. Call to Order
2. Roll Call
3. Approval of Minutes
4. Communications
5. Introduction of Old/Ongoing Business by Commissioners
6. Introduction of New Business by Commissioners
7. Report of the General Manager
 - a. Sustainable Cities - 5 mins. (Beryl Magilavy)
 - b. Program Management (Moran)
8. Public Comments

Members of the public may address the Commission on matters that are within the Commission's jurisdiction and are not on today's agenda.

THE FOLLOWING MATTERS BEFORE THE PUBLIC UTILITIES COMMISSION ARE RECOMMENDED FOR ACTION AS STATED, BY THE GENERAL MANAGER OF PUBLIC UTILITIES, AND CITY ATTORNEY WHERE APPLICABLE.

REGULAR BUSINESS

9. Presentation regarding PUC expenditure of overtime. (Moran)
10. Public Hearing - To consider revising the Rules of Order of the Public Utilities Commission, including Rule 7, *Regular Meetings of the Commission*, Rule 18, *Privilege of Floor and Public Participation*, and other revisions. (Moran)
11. Authorizing the General Manager of Public Utilities to enter into a Memorandum of Understanding with the Bay Area Water Users Association for joint sponsorship of the PUC Facilities Reliability Program. (Williams)
12. Authorizing the General Manager of Public Utilities to submit to the Mayor and the Board of Supervisors a supplemental appropriation request for \$1.7 million to fund the establishment and implementation of the Public Utilities Commission Year 2000 (Y2K) Compliance Program. (Olsen/Davidis)
13. Authorizing the General Manager of Public Utilities to submit to the Mayor and the Board of Supervisors a supplemental appropriation request for \$1 million for planning and pre-design work related to the construction of a new administrative office facility at 525 Golden Gate Avenue. (Carmichael)
14. Approving the reprogramming of \$1 million of appropriated, unrestricted 1994 Sewer Revenue Bond funds and unrestricted 1988b Sewer Revenue Bond funds into the Clean Water Strategic Planning Project. (Pla)
15. Approving the expansion of the Customer Service Bureau's 1.6 gallons per flush toilet sale program to include multi-family residential buildings with fifteen units or less. (Mullane)
16. Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission; and requesting the Board of Supervisors to approve expenditure of funds for Clean Water Program Contract No. CW-154E, Geneva Avenue Emergency Sewer Replacement. (Quan)

REGULAR CALENDAR (Continued)

17. Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission; and requesting the Board of Supervisors to approve expenditure of funds for Clean Water Program Contract No. CW-180E, Washington/Buchanan Streets Emergency Sewer Replacement. (Quan)
18. Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission at the 60-inch San Antonio Pipeline in Sunol, Alameda County; authorizing the Manager of Utilities Engineering Bureau to undertake immediate measures to conduct geotechnical and other studies, order pipe materials to repair the pipeline, prepare contracts for repairs and transfer funds for the emergency; and requesting the Board of Supervisors to approve the expenditure of funds. (Quan)
19. Authorizing the General Manager of Public Utilities to negotiate and execute a five-year Memorandum of Understanding with the San Francisco Unified School District and the Solid Waste Management Program to implement a comprehensive water and energy conservation education program in San Francisco public schools, for an annual amount not to exceed \$50,000. (Klein)

Under Negotiation
LEASES AND PERMITS

20. Directing staff to implement a new policy with regard to non-profit and public agency use of PUC lands. (Dowd)
21. Authorizing the General Manager of Public Utilities to execute a permit with Mahikari of America, San Francisco DOJO, a non profit organization, for landscaping, vehicular and pedestrian cross over to adjoining land and building of permittee on a portion of Parcel 57A of San Francisco lands, adjacent to 1155 Junipero Serra Boulevard in San Francisco. (Continued from the meeting of December 15, 1998. Proposed for continuance to January 26, 1999.) (Dowd)

CONSTRUCTION CONTRACTS

Advertise

22. Approving the final plans and specifications for UEB Contract No. WD-2133, Site Improvements at the SFWD Millbrae Headquarters, and authorizing advertisement for bids. (Continued from the meeting of May 26, 1998) (Quan)
23. Approving the final plans and specifications for Water Department Contract No. WD-2290, Sunol Water Temple Phase 1 Building Restoration; and authorizing advertisement for bids. (Quan)
24. Approving the final plans and specifications for Clean Water Program Contract No. CW-211, 4th Avenue /10th Avenue/Anza Street/Cabrillo Street Sewer Replacement; and authorizing advertisement for bids. (Quan)
25. Rejecting all bids received for Water Department Contract No. WD-2179R, Alemany Pump Station Standby Generator and Related Work; and authorizing readvertisement of the contract as WD-2179R2. (Quan)

Award

26. Awarding Clean Water Program Contract No. CW-112, 6th/8th/43rd Avenue Sewer Replacement, in the amount of \$477,420 to the lowest responsive and responsible bidder, Harty Pipelines, Inc. (Quan)
27. Awarding San Francisco Water Department Contract No. WD-2226, 6 and 8-Inch Ductile Iron Main Installation in Gough Street between Golden Gate Avenue and Haight Street, to Golden Pacific Construction Inc., in the amount of \$367,620. (Quan)

Amend

28. Amending Contract No. WP-10, Protective Relay Installation, extending the time to complete the work from August 21, 1998 to January 20, 1999. (Quan)

PROFESSIONAL SERVICE CONTRACTS

Advertise

29. Authorizing the General Manager of Public Utilities to issue a Request for Proposals and negotiate and execute a cost plus fixed fee contract with a consultant/firm/team to be selected from the pool of qualified environmental consulting firms which will undertake the required environmental evaluation for the Alameda Creek Fisheries Enhancement Project. (Carlin)

CLOSED SESSION

30. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Anticipated Litigation: As Plaintiff and as Defendant
Property: 500+ acres of San Francisco Water Department property on
Bernal Avenue in Alameda County.
Parties Negotiating: Nelson/Lymburn/Thompson/Malamut
City of Pleasanton
Under Negotiations: Terms and Conditions

31. Public Comments on matters to be discussed in Closed Session.

32. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

**THE PUBLIC UTILITIES COMMISSION WILL GO INTO CLOSED SESSION TO
DISCUSS ABOVE LISTED CLOSED SESSION MATTERS.**

**FOLLOWING THE CLOSED SESSION, THE PUBLIC UTILITIES COMMISSION WILL
RECONVENE IN PUBLIC SESSION.**

33. Announcement following Closed Session.
34. Motion regarding whether to disclose the discussions during Closed Session.

ADJOURNMENT

NOTICE OF SPECIAL MEETING AND PUBLIC HEARING

The Public Utilities Commission will hold a special meeting and conduct a public hearing on Tuesday, February 2, 1999 at 1:00 p.m. at the Fourth Floor Conference Room, 1155 Market Street, San Francisco, California to consider budget proposals for fiscal year 1999/2000.

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PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

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**Willie L. Brown, Jr.
MAYOR**

(SPECIAL) MEETING

**January 12, 1999
1:00 P.M.
Room 402
1155 Market Street, Fourth Floor**

COMMISSIONERS

**Ann Moller Caen, President
Robert K. Werbe, Vice President
E. Dennis Normandy
Victor G. Makras
Frank L. Cook**

DEPARTMENTS

**Water Department
 City Distribution Division
 Water Supply & Treatment
Hetch Hetchy
Clean Water Program
 Water Pollution Control**

BUREAUS

**Commercial Land Management
Customer Service
Environmental Regulation and Management
Finance
Management Information Systems
Personnel and Training
System Planning and Regulatory Compliance
Utilities Engineering Bureau
Water Quality**

**Anson B. Moran
GENERAL MANAGER**

**Romaine A. Boldridge
SECRETARY**

1. Call to Order: 1:08 P.M.
2. Roll Call:

Present - President Ann Moller Caen, Commissioner E. Dennis Normandy, Commissioner Frank L. Cook

Commissioner Victor G. Makras arrived at 1:25 p.m.

Excused - Vice President Robert K. Werbe

President Caen announced that today's Commission meeting was the last regular meeting at 1155 Market Street. PUC meetings will be moved to Room 400, in City Hall starting with the next regular meeting scheduled on January 26, 1999.

President Caen recognized the presence of Mr. Elvin W. Moon, who was recently appointed to the Advisory Committee of the Critical Infrastructure Protection in Washington, D.C.

3. Approval of Minutes

Moved by Commissioner Normandy, seconded by Commissioner Cook, to approve the Minutes of the Special Meeting of December 15, 1998; passed (3-0) unanimously.

4. Communications

No action was taken.

5. Introduction of Old/Ongoing Business by Commissioners

President Caen directed staff to add on the Old/Ongoing Business List the previous requests of the Commission to provide an Annual Report and to investigate the provisions of the PG&E contract. President Caen inquired about the sewer flooding update.

Commissioner Normandy requested a status report regarding the sewer repair work on Polk Street. Anson B. Moran, General Manager of Public Utilities, responded that staff would be meeting with the Department of Public Works next week to get the details surrounding this work. Commissioner Normandy requested that this matter be scheduled for the next regular PUC meeting. He also requested that PUC's communications staff start coordinating with the Department of Public Works in dealing with issues such as customer complaints.

Commissioner Normandy requested staff to send copies of the Grazing Management Accord to the signatories. He also requested that staff attach a copy of the news clipping from the December 1998 issue of Beef Magazine (the Cattlemen's official publication) regarding the HAACP-based Grazing Resources Management Plan. He requested that staff provide the Commission with an update on the progress of the plan.

Commissioner Makras requested that staff give a report regarding the City's Commercial Energy Conservation Ordinance. He wanted the report to include information on the success of the program, whether it is still in effect, and if it is no longer in effect, why was it discontinued. He stated that this ordinance may fit in with the Bureau of Energy Conservation's program to improve energy efficiency on new buildings.

6. Introduction of New Business by Commissioners

Commissioner Normandy noted that he had heard reports that the East Bay Municipal Utilities District had seen deterioration of valves and valve gaskets from the use of chloramine. He requested that staff provide a report to the Commission relative to this issue particularly since PUC will also be using chloramine in its water treatment process.

Commissioner Normandy referred to a letter received from the Crystal Springs Golf Course, Inc. regarding the environmental award given to the Crystal Springs Golf Course. He requested that staff communicate this to stakeholders and the public to make them aware that PUC is environmentally sensitive in the management of a golf course in the watershed.

Commissioner Normandy introduced Ms. Shatzie Allen from the Allen Group, a public relations consultant, working with staff on the overall communications plan.

Commissioner Normandy requested that staff give a presentation regarding the personnel hiring process.

7. Report of the General Manager

Mr. Moran introduced the new senior executive staff of the PUC - Michael Quan, Manager of the Utilities Engineering Bureau; William Berry, Assistant General Manager for Administration; Carolyn Olsen, Assistant General Manager for Operations; and Steve Medbery, Manager of the combined Bureau of System Planning and Regulatory Compliance and the Bureau of Environmental Regulation and Management.

a. Sustainable Cities

Beryl Magilvy, President of Sustainability City, talked about the sustainability program and its relationship to PUC. She said Sustainability City is an organization working toward the implementation of San Francisco's Sustainability Plan that deals with environmental, economical and social issues. The Sustainability Plan includes energy and water issues that are under PUC's purview. The Plan sets out objective measurable results that the City hoped PUC would reach by the year 2002 such as increasing the ratio of renewable and non-renewable energy, and shifting the practices for architectural planning for City-owned buildings to be more sustainable. She said the Bureau of Energy Conservation had been actively working on this for the last couple of years for City-owned buildings. The objectives relative to water deals with water reuse, water efficiency, pollution prevention, adequate and safe water supply, public involvement and assessment of the true cost of water usage. Ms. Magilvy stated that the Department of Environment, would be coming to PUC regarding establishing a baseline on these objective measures next year. Mr. Moran noted that staff had already been dealing with the issues mentioned.

Note: Commissioner Makras arrived at 1:25 p.m.

b. Program Management

Mr. Moran reported that staff had made changes to the Request for Proposals and the City Attorney is reviewing the document. Staff would be presenting the RFP in the near future.

Mr. Moran introduced Harlan Kelly, the City's Chief Engineer, who had been assisting staff with the preparation of the RFP.

8. Public comments on matters that were not on today's agenda.

Nello Prato, representing the Fort Mason Community Garden, urged the Commission to waive the charges for water used for the garden. Mr. Moran stated that the Commission has no policy of giving free water to community gardens. PUC has a policy of providing water free of charge to City agencies, and where City agencies have tenants, they in effect receive free water. In this case, the Fort Mason Community Garden is a tenant of the National Park Service. The garden's appeal for waiver of charges for water should be presented to the federal government.

REGULAR

9. Presentation regarding PUC expenditure of overtime.

Phil Arnold, from the Bureau of Finance, gave a presentation regarding PUC's use of overtime. Mr. Arnold also discussed ways overtime costs could be reduced, i.e., hire new employees, hire "as-needed" employees or add shifts in non-traditional work hours.

Mr. Arnold reported that one way to save on overtime cost was to use new employees premised on being able to regularize and predict overtime work. If we can predict that a full time equivalent (FTE) employee is needed after hours, we can save about 10% compared to the cost of overtime. If the time required in overtime is less than a full time equivalent employee we may not save by hiring a full time employee.

Mr. Arnold stated that hiring "as-needed" employees was less costly than hiring a full time equivalent employee since "as-needed" employees do not receive fringe benefits. However, there is a general City policy restricting the use of "as-needed" employees if FTE employees could be used.

Mr. Arnold noted that PUC uses overtime due to the power and treatment plants operating 24 hours a day. The cost of overtime use varies by the time of use, employee class, employee earnings, and the MOU provision that govern the use of overtime. Regarding 10- and 12-hour shifts, Mr. Arnold stated that there is no additional cost in using these work shifts.

Commissioner Cook requested staff to provide the results and related cost of the 10 and 12-hour work shifts during the trial period they were in place.

Commissioner Makras pointed out that the Commission should focus on finding ways to cut down on overtime costs and whether it is more prudent to hire more people.

President Caen directed staff to provide the budgets and actual expenditures on overtime over the last five years. She suggested utilizing "as-needed" employees to the maximum.

Commissioner Normandy inquired how salaries could be budgeted separately from individual capital projects.

President Caen directed staff to return to the Commission at the next regular meeting to respond to the Commissioner's concerns and demonstrate ways to reduce overtime costs.

10. Public Hearing - To consider revising the Rules of Order of the Public Utilities Commission.

There were no public comments.

Moved by Commissioner Cook, seconded by Commissioner Makras, to adopt Item 10; passed (4-0) unanimously.

Resolution No. 99-0001: Revising the Rules of Order of the Public Utilities Commission, including Rule 7, *Regular Meetings of the Commission*, Rule 18, *Privilege of Floor and Public Participation*, and other revisions.

11. Authorizing a Memorandum of Understanding with the Bay Area Water Users Association for the development of the PUC Facilities Reliability Program.

Commissioner Normandy requested that staff address in the development of the Facilities Reliability Plan, PUC's most immediate needs such as power facilities and sustainability. Mr. Moran responded that PUC's power facilities are included in the scope; however, assessment of reliability and vulnerability of PG&E transmission systems were not. Commissioner Normandy suggested including in the MOU the analysis of PG&E's capability, their weak links and how PUC systems are linked to PG&E.

Moved by Commissioner Normandy, seconded by Commissioner Cook, to adopt Item 11; passed (4-0) unanimously.

Resolution No. 99-0002: Authorizing the General Manager of Public Utilities to enter into a Memorandum of Understanding with the Bay Area Water Users Association for joint sponsorship of the PUC Facilities Reliability Program.

12. Authorizing the General Manager of Public Utilities to submit to the Mayor and the Board of Supervisors a supplemental appropriation request for \$1.7 million to fund the establishment and implementation of the Public Utilities Commission Year 2000 (Y2K) Compliance Program.

Commissioner Cook moved to adopt the item.

Commissioner Makras expressed concerns about the amount of money requested for the project and the cost of consultant services, which was 30% of the cost of computer equipment. He stated that the agenda item as presented did not contain a business plan that described what we intended to do and what we expected to get from the project.

Carolyn Olsen, Deputy General Manager for Operations, responded that the \$1.7 million was intended for assessment work and improvements to PUC facilities and computer equipment for Y2K compliance. Ms. Olsen said that staff would provide a monthly summary of the dollars spent and the problems that were addressed relative to expended dollars.

Commissioner Normandy expressed the same concerns that the agenda item was unclear as to how the money would be expended. He suggested that staff provide a more detailed allocation of project costs.

Moved by Commissioner Caen, seconded by Commissioner Makras, to continue Item 12 to the next regular Commission meeting scheduled on January 26, 1999; passed (4-0) unanimously.

13. Authorizing the General Manager of Public Utilities to submit to the Mayor and the Board of Supervisors a supplemental appropriation request for \$1 million for planning and pre-design work related to the construction of a new administrative office facility at 525 Golden Gate Avenue.

Commissioner Normandy expressed his concern about sharing the building with other City agencies. He suggested that staff ensure that if PUC were to lease to other agencies that it be made clear that PUC is the developer of the building, PUC would control the extent of the leases, and that current and projected space requirements of the PUC would be adequately met.

Commissioner Makras noted that he would like to be assured that PUC would be regarded as the developer and would be in control of the building particularly state that we would be using ratepayers money. Mr. Moran responded that funds would be in large part coming from PUC's real property transactions and we need not raise the rate to develop the building.

Commissioner Normandy suggested that the resolution indicate that PUC is the developer, landlord and the primary user of the building. Commissioner Makras suggested deleting "City agencies" in the fourth whereas clause and amending the entire clause to read, "*Whereas, the PUC would be the developer and primary user of this new office building and would lease space not needed by the PUC.*"

Moved by Commissioner Cook, seconded by Commissioner Makras, to adopt Item 13; as amended; passed (4-0) unanimously.

Resolution No. 99-0003: Authorizing the General Manager of Public Utilities to submit to the Mayor and the Board of Supervisors a supplemental appropriation request for \$1 million for planning and pre-design work related to the construction of a new administrative office facility at 525 Golden Gate Avenue.

14. Approving the reprogramming of \$1 million of appropriated, unrestricted 1988b Sewer Revenue Bond funds into the Clean Water Strategic Planning Project.

Michelle Pla from the Bureau of System Planning and Regulatory Control gave a presentation. She stated that the action requested on this item was to allow staff to establish a new fund account for Clean Water Strategic Planning Project by reallocating already appropriated funds from 1988B Sewer Revenue bonds.

Ms. Pla handed out to the Commission copies of the Administrative Draft of the Clean Water Strategic Plan. She stated that the draft identified a full range of projects and activities that staff would like to pursue for the next 12 to 15 years. Staff would be proposing to identify alternative technologies to face the challenges outlined in the plan. Staff would be reporting to the Commission on a quarterly basis to provide updates on the project.

Moved by Commissioner Makras, seconded by Commissioner Cook, to adopt Item 14; passed (4-0) unanimously.

Resolution No. 99-0004: Approving the reprogramming of \$1 million of appropriated, unrestricted 1988b Sewer Revenue Bond funds into the Clean Water Strategic Planning Project.

At 3:05 P.M. the meeting was recessed.

At 3:17 P.M. the meeting reconvened.

15. Approving the expansion of the Customer Service Bureau's 1.6 gallons per flush toilet sale program.

Commissioner Normandy mentioned that the Wall Street Journal wrote about San Francisco's toilet sale program. He commended staff for the success of the program. He suggested increasing our communication efforts relative to the program.

Moved by Commissioner Makras, seconded by Commissioner Normandy, to adopt Item 15; passed (4-0) unanimously.

Resolution No. 99-0005: Approving the expansion of the Customer Service Bureau's 1.6 gallons per flush toilet sale program to include multi-family residential buildings with fifteen units or less.

Moved by Commissioner Normandy, seconded by Commissioner Cook, to adopt Item Nos. 16, 17 and 18; passed (4-0) unanimously.

16. **Resolution No. 99-0006:** Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission; and requesting the Board of Supervisors to approve expenditure of funds for Clean Water Program Contract No. CW-154E, Geneva Avenue Emergency Sewer Replacement.
17. **Resolution No. 99-0007:** Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission; and requesting the Board of Supervisors to approve expenditure of funds for Clean Water Program Contract No. CW-180E, Washington/Buchanan Streets Emergency Sewer Replacement.
18. **Resolution No. 99-0008:** Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission at the 60-inch San Antonio Pipeline in Sunol, Alameda County; authorizing the Manager of Utilities Engineering Bureau to undertake immediate measures to conduct geotechnical and other studies, order pipe materials to repair the pipeline, prepare contracts for repairs and transfer funds for the emergency; and requesting the Board of Supervisors to approve the expenditure of funds.
19. Authorizing the General Manager of Public Utilities to negotiate and execute a five-year Memorandum of Understanding with the San Francisco Unified School District and the Solid Waste Management Program to implement a comprehensive water and energy conservation education program in San Francisco public schools, for an annual amount not to exceed \$50,000.

Calvin Broomhead from the Bureau of Energy Conservation stated that the education program meets the requirements of sewage discharge permits for the Bureau of Environment and Regulatory Management (BERM) and for the Water Department it meets the State's education requirement regarding urban conservation in California.

Commissioner Makras and Commissioner Normandy inquired how this program fits into the overall PUC communication plan.

Moved by Commissioner Normandy, seconded by Commissioner Makras, to continue Item 19 to the regular Commission meeting scheduled on January 26, 1999; passed (4-0) unanimously.

LEASES AND PERMITS

20. Directing staff to implement a new policy with regard to nonprofit and public agency use of PUC lands.

Moved by Commissioner Caen, seconded by Commissioner Makras, to continue Item 20 to the call of the Chair; passed (4-0) unanimously.

21. Authorizing the General Manager of Public Utilities to execute a permit with Mahikari of America, San Francisco DOJO, a non profit organization, for landscaping, vehicular and pedestrian cross over to adjoining land and building of permittee on a portion of Parcel 57A of San Francisco lands, adjacent to 1155 Junipero Serra Boulevard in San Francisco. (Continued from the meeting of December 15, 1998.)

Moved by Commissioner Caen, seconded by Commissioner Cook, to continue Item 21 to the call of the Chair; passed (4-0) unanimously.

CONSTRUCTION CONTRACTS

Advertise

22. Authorizing advertisement for bids for UEB Contract No. WD-2133, Site Improvements at the SFWD Millbrae Headquarters. (Continued from the meeting of May 26, 1998.)

Moved by Commissioner Caen, seconded by Commissioner Normandy, to adopt Item 22; passed (3-1). Commissioner Makras voted no.

Resolution No. 99-0009: Approving the final plans and specifications for UEB Contract No. WD-2133, Site Improvements at the SFWD Millbrae Headquarters, and authorizing advertisement for bids.

23. Approving the final plans and specifications for Water Department Contract No. WD-2290, Sunol Water Temple Phase 1 Building Restoration; and authorizing advertisement for bids.

Commissioner Normandy suggested that staff ensure that there is proper documentation of the work done on the temple for historical purposes. He noted that he wants it to be a policy decision of the Commission on how the temple should be restored. He stated that he would like the temple to be preserved to its original grandeur and historically accurate and at the same time make it look new.

Commissioner Makras urged the Commission not to accept staff's recommendation on equivalency with respect to handicap accessibility to the temple. He stated that there should be a more sensitive approach to a landmark than the proposed self-guided visual and audio display. Ms. Lena Ch'en , Project Manager, responded that staff, at the request of the Mayor's Disability Council, recommended four options for direct access to the top of the temple. The options presented were a 70-foot straight ramp, a stair climber (incline lift), a switch back ramp, and a vertical lift. The Council recommended the stair climber; however, after a site visit, they decided against it for aesthetic reasons. Ms. Ch'en stated that staff was still looking for solutions.

Commissioner Makras suggested that staff present other access options and work with historical societies to come up with mitigating ways to allow access to the temple.

Commissioner Normandy suggested that staff look into the process of declaring the temple a historic landmark.

Commissioner Caen expressed concerns that the costs went up considerably. Ms. Ch'en stated that there were increased costs due to the addition of seismic retrofit work and the disability accessibility issue.

Commissioner Normandy suggested continuance of the item to the next Commission meeting for staff to provide a better overview of the cost of the project and details about the scope of work and the change orders. Commissioner Makras suggested that staff return to the Commission with a recommendation regarding handicap accessibility or equivalency to avoid a change order in the future.

Moved by Commissioner Normandy, seconded by Commissioner Makras, to continue Item 23 to the next regular meeting scheduled on January 26, 1999; passed (4-0) unanimously.

24. Authorizing advertisement for bids for Clean Water Program Contract No. CW-211, 4th Avenue /10th Avenue/Anza Street/Cabrillo Street Sewer Replacement.

Moved by Commissioner Normandy, seconded by Commissioner Cook, to adopt Item 24; passed (4-0) unanimously.

Resolution No. 99-0010: Approving the final plans and specifications for Clean Water Program Contract No. CW-211, 4th Avenue /10th Avenue/Anza Street/Cabrillo Street Sewer Replacement; and authorizing advertisement for bids.

25. Rejecting all bids received for Water Department Contract No. WD-2179R and readvertising as WD-2179R2.

Commissioner Makras inquired about the reason for not awarding the contract to the fourth bidder. Karen Kubick, Project Manager, responded that all bidders were being rejected as the Human Rights Commission and the City Attorney have determined that the bid documentation was flawed. Virginia Harmon, Human Rights Commission Compliance Officer, stated that the bids were being rejected because the bid document was flawed and the subcontracting goals were set too high. The contractors did not meet the goals and that was why all the bids were non responsive.

Commissioner Makras suggested changing the third whereas clause to indicate that we were rejecting all bidders because the bid document set out subcontracting goals that no one can meet and that we were not rejecting Bidder No. 4 arbitrarily. The third whereas clause should read, *"Whereas, Review of the bids indicated that bidders could not meet the subcontracting goals for the contract due to an error in the bid documentation."*

Moved by Commissioner Makras, seconded by Commissioner Normandy; to adopt Item 25 as amended; passed (4-0) unanimously.

Resolution No. 99-0011: Rejecting all bids received for Water Department Contract No. WD-2179R, Alemany Pump Station Standby Generator and Related Work; and authorizing readvertisement of the contract as WD-2179R2.

Commissioner Makras was excused at 3:55 P.M.

Award

26. Awarding Clean Water Program Contract No. CW-112 to Harty Pipelines, Inc.
Moved by Commissioner Cook, seconded by Commissioner Normandy, to adopt Item 26; passed (3-0) unanimously.

Resolution No. 99-0012: Awarding Clean Water Program Contract No. CW-112, 6th/8th/43rd Avenue Sewer Replacement, in the amount of \$477,420 to the lowest responsive and responsible bidder, Harty Pipelines, Inc.

27. Awarding San Francisco Water Department Contract No. WD-2226 to Golden Pacific Construction Inc.
Moved by Commissioner Cook, seconded by Commissioner Normandy, to adopt Item 27; passed (3-0) unanimously.

Resolution No. 99-0013: Awarding San Francisco Water Department Contract No. WD-2226, 6 and 8-Inch Ductile Iron Main Installation in Gough Street between Golden Gate Avenue and Haight Street, to Golden Pacific Construction Inc., in the amount of \$367,620.

Amend

28. Amending Contract No. WP-10, Protective Relay Installation.
Moved by Commissioner Normandy, seconded by Commissioner Cook, to adopt Item 28; passed (3-0) unanimously.

Resolution No. 99-0014: Amending Contract No. WP-10, Protective Relay Installation, extending the time to complete the work from August 21, 1998 to January 20, 1999.

PROFESSIONAL SERVICE CONTRACTS

Advertise

29. Authorizing issuance of a Request for Proposals and negotiate and execute a cost plus fixed fee contract with a consultant/firm/team to undertake the required environmental evaluation for the Alameda Creek Fisheries Enhancement Project.

Moved by Commissioner Normandy, seconded by Commissioner Cook, to adopt Item 29; passed (3-0) unanimously.

Resolution No. 99-0015: Authorizing the General Manager of Public Utilities to issue a Request for Proposals and negotiate and execute a cost plus fixed fee contract with a consultant/firm/team to be selected from the pool of qualified environmental consulting firms which will undertake the required environmental evaluation for the Alameda Creek Fisheries Enhancement Project.

CLOSED SESSION

30. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Anticipated Litigation: As Plaintiff and as Defendant
Property: 500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County.
Parties Negotiating: Nelson/Lymburn/Thompson/Malamut
City of Pleasanton
Under Negotiations: Terms and Conditions

No action was taken.

31. Public Comments on matters to be discussed in Closed Session.

There were none.

32. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

Moved by Commissioner Normandy, seconded by Commissioner Cook, to assert the attorney-client privilege; passed (3-0) unanimously.

The Public Utilities Commission met in Closed Session at 4:00 P.M. to discuss the above listed Closed Session items.

At 5:30 P.M., the Public Utilities Commission reconvened in an open session.

33. Announcement following Closed Session.

President Caen announced the actions taken during the Closed Session.

34. Motion regarding whether to disclose the discussions during Closed Session.

Moved by Commissioner Cook, seconded by Commissioner Normandy, not to disclose the discussion during the Closed Session; passed (4-0) unanimously.

Thereupon, the meeting was adjourned: 5:31 P.M.

Romaine A. Boldridge
Secretary

AGENDA

PUBLIC UTILITIES COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

SPECIAL MEETING

DOCUMENTS DEPT.

JAN 15 1999

SAN FRANCISCO
PUBLIC LIBRARY

January 19, 1999

1:00 P.M.

Room 402

1155 Market Street, Fourth Floor

COMMISSIONERS

Ann Moller Caen, President
Robert K. Werbe, Vice President
E. Dennis Normandy
Victor G. Makras
Frank L. Cook

DEPARTMENTS

Water Department
 City Distribution Division
 Water Supply & Treatment
Hetch Hetchy Water & Power
Clean Water Program
 Water Pollution Control

BUREAUS

Commercial Land Management
Customer Service
Environmental Regulation and Management
Finance
Management Information Systems
Personnel and Training
System Planning and Regulatory Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

For information contact the Commission Secretary at 554-3165.
Agendas and other information are available on the PUC web site:
www.ci.sf.ca.us/puc/

Disability Access

The Public Utilities Commission meeting will be held in Room 402, 1155 Market Street, Fourth Floor, San Francisco, CA. The Commission meeting room is wheelchair accessible. The closest accessible BART station is the Civic Center Station at United Nations Plaza and Market Street. Accessible MUNI lines serving this location are: Muni Metro Lines J-Church, K-Ingleside, L-Taraval, M-Oceanview, and N-Judah at Civic Center Station; and surface lines 9 and 9X San Bruno, 19 Polk, 26 Valencia, and 71 Haight Noriega. For information about MUNI accessible services call (415) 923-6142. Accessible curb side parking has been designated at points in the vicinity of the meeting location adjacent to the Main Library.

The following services are available on request 48 hours prior to the meeting; except for Monday meetings, for which the deadline shall be 4:00 p.m. of the last business day of the preceding week: For American sign language interpreters or the use of a reader during a meeting, a sound enhancement system, and/or alternative formats of the agenda and minutes, please contact Romaine Boldridge at (415) 554-3165 to make arrangements for the accommodation. Late requests will be honored, if possible.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the City accommodate these individuals. Individuals with chemical sensitivity or related disabilities should call our accessibility hotline at (415) 554-6060.

Know your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code)

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils, and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force, 401 Van Ness Avenue, Room 402.

San Francisco Lobbyist Ordinance

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1155 Market Street Fourth Floor Meeting Room Safety Announcement

If there is an emergency that requires meeting attendees to evacuate the building, everyone should exit the building in a calm manner using one of the two exit stairways. **Do not use the elevators.**

Your primary exit stairway is located through the elevator lobby and to the right past the restroom. If the exit is not useable, PUC staff will direct you to the alternate exit.

All exit ways are marked by green overhead exit signs. In the event that the building alarm is activated, fire doors that are usually left open may close but they will not lock. You may have to go through a closed door to reach the exit stairway.

If you require assistance in evacuating, please request the aid of PUC staff.

ORDER OF BUSINESS

1. Call to Order
2. Roll Call

THE FOLLOWING MATTERS BEFORE THE PUBLIC UTILITIES COMMISSION ARE RECOMMENDED FOR ACTION AS STATED, BY THE GENERAL MANAGER OF PUBLIC UTILITIES, AND CITY ATTORNEY WHERE APPLICABLE.

SPECIAL ORDER OF BUSINESS

3. Presentation by staff of Fiscal Year 1999-2000 Budget Proposals for the departments and bureaus under the jurisdiction of the Public Utilities Commission.

(Public hearing on the budget will be February 2, 1999 at 1:00 p.m. in Room 402, 1155 Market Street, San Francisco.)

CLOSED SESSION

4. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Anticipated Litigation: As Plaintiff and as Defendant
Property: 500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County.
Parties Negotiating: Nelson/Lymburn/Thompson/Malamut
City of Pleasanton
Under Negotiations: Terms and Conditions

5. Public Comments on matters to be discussed in Closed Session.

6. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

THE PUBLIC UTILITIES COMMISSION WILL GO INTO CLOSED SESSION TO DISCUSS ABOVE LISTED CLOSED SESSION MATTERS.

FOLLOWING THE CLOSED SESSION, THE PUBLIC UTILITIES COMMISSION WILL RECONVENE IN PUBLIC SESSION.

7. Announcement following Closed Session.

8. Motion regarding whether to disclose the discussions during Closed Session.

ADJOURNMENT

Main Public Library
Government Information Center
100 Larkin Street, 5th Flr.

MINUTES

PUBLIC UTILITIES COMMISSION CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

SPECIAL MEETING

January 19, 1999
1:00 P.M.
Room 402
1155 Market Street, Fourth Floor

DOCUMENTS DEPT.

MAR 01 1999

SAN FRANCISCO
PUBLIC LIBRARY

COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Robert K. Werbe
Victor G. Makras

DEPARTMENTS

Water Department
City Distribution Division
Water Supply & Treatment
Hetch Hetchy
Clean Water Program
Water Pollution Control

BUREAUS

Commercial Land Management
Customer Service
Environmental Regulation and Management
Finance
Management Information Systems
Personnel and Training
System Planning and Regulatory Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

1. Call to Order: 1:00 P.M.
2. Roll Call:
Present - President Ann Moller Caen, Commissioner E. Dennis Normandy, Commissioner Frank L. Cook

Commissioner Victor G. Makras arrived at 1:42 P.M.

Excused - Vice President Robert K. Werbe
3. Presentation by staff of Fiscal Year 1999-2000 Budget Proposals for the departments and bureaus under the jurisdiction of the Public Utilities Commission.

Anson B. Moran, General Manager of Public Utilities, presented an overview of the budget process used to develop proposals for fiscal year 1999-2000. He listed the following areas as budget challenges: 1) power deregulation; 2) the rate freeze; 3) public confidence; and 4) the ability to staff and manage the capital program needs for Propositions A and B projects.

He stated that the direction to staff was to hold the baseline budget, i.e., stay within the amount of this year's budget, including salary increases and annualization of new positions, and to fund mandates such as conditions of a permit. Adjustments were made based upon spending history. This method produced a \$10 million budget "dividend". It's proposed to reinvest a portion of the dividend in such items as one time costs, improving efficiency and strengthening either physical infrastructure or information infrastructure. Other methods used to create the dividend include reviewing work orders to other City departments, developing a realistic hiring plan, updating cost of power data used to charge other City departments for sale of Hetch Hetchy power, and looking at other revenue streams such as Clean Water charges to other City departments.

Mr. Moran listed his top priorities for reinvesting money as: 1) focusing on delivery of the capital program; 2) dedicating funds to emergency response needs; 3) adding to our information systems; 4) restoring money for equipment which was cut in previous budget cycles; and 5) increasing the communications plan.

Mr. Moran presented multi-year projections of income and fund balances for each enterprise.

Commissioner Makras inquired about unspent funds for salaries for positions which were not filled. Mr. Moran replied that unspent funds stay within the enterprise and become part of the Unappropriated Balance which is carried forward to the next budget year.

Commissioner Normandy requested that staff include data on 1998/99 actual expenditures projected to the end of the year.

Commissioner Normandy requested a one page summarized version of the budget and 2 or 3 pages for each budget unit.

Commissioner Makras questioned the more than 50% increase in Power for Resale versus the 1997-98 actuals. Mr. Lawrence T. Klein replied that the budget was prepared based upon an average rainfall year and expected power sales. The 1997-98 actuals reflect what really happened that year.

CLOSED SESSION

4. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Anticipated Litigation: As Plaintiff and as Defendant
Property: 500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County.
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City of Pleasanton
Under Negotiations: Terms and Conditions

President Caen announced that the closed session had been removed from the agenda.

Thereupon, the meeting was adjourned: 2:26 P.M.

Romaine A. Boldridge
Secretary

AGENDA

PUBLIC UTILITIES COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

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Willie L. Brown, Jr.
MAYOR

JAN 26 1999

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PUBLIC LIBRARY

REGULAR MEETING

January 26, 1999

1:30 P.M.

City Hall, Room 400

1 Dr. Carlton B. Goodlett Place

COMMISSIONERS

Ann Moller Caen, President
Robert K. Werbe, Vice President
E. Dennis Normandy
Victor G. Makras
Frank L. Cook

DEPARTMENTS

Water Department
 City Distribution Division
 Water Supply & Treatment
Hetch Hetchy Water & Power
Clean Water Program
 Water Pollution Control

BUREAUS

Commercial Land Management
Customer Service
Environmental Regulation and Management
Finance
Management Information Systems
Personnel and Training
System Planning and Regulatory Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

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ORDER OF BUSINESS

1. Call to Order
2. Roll Call
3. Election of Vice President
4. Approval of Minutes
5. Communications
6. Introduction of Old/Ongoing Business by Commissioners
7. Introduction of New Business by Commissioners
8. Report of the General Manager
 - a. Security Badge Program (De Graca)
 - b. Personnel Processing Issues (Bowman)
 - c. Overtime Expenditures (Moran)
9. Public Comments

Members of the public may address the Commission on matters that are within the Commission's jurisdiction and are not on today's agenda.

THE FOLLOWING MATTERS BEFORE THE PUBLIC UTILITIES COMMISSION ARE RECOMMENDED FOR ACTION AS STATED, BY THE GENERAL MANAGER OF PUBLIC UTILITIES, AND CITY ATTORNEY WHERE APPLICABLE.

REGULAR BUSINESS

10. Authorizing the General Manager of Public Utilities to submit to the Mayor and the Board of Supervisors a supplemental appropriation request for \$1.7 million to fund the establishment and implementation of the Public Utilities Commission Year 2000 (Y2K) Embedded System Compliance Program. (Continued from the meeting of January 12, 1999) (Olsen/Davidis)
11. Authorizing the General Manager of Public Utilities to negotiate and execute a five-year Memorandum of Understanding with the San Francisco Unified School District and the Solid Waste Management Program to implement a comprehensive water and energy conservation education program in San Francisco public schools, for an annual amount not to exceed \$50,000. (Continued from the meeting of January 12, 1999) (Klein)
12. Authorizing the Manager of the Water Quality Bureau to implement a Pilot Faucet Replacement Program to reduce public lead exposure from drinking water. (DeGraca)
13. Approving the final plans and specifications for City Distribution Division Contract Specification No. WD-2259, Bay Bridge Pump Station Relocation; approving the Bay Bridge Pump Station Relocation demolition and pipeline modification contracts inclusion with the California Department of Transportation Bay Bridge Seismic Retrofit contract; approving \$4,200,000 budget reallocation to the construction of the Bay Bridge Pump Station; authorizing the General Manager of Public Utilities to execute the letter of understanding and the Pump Station Relocation Agreement with CalTrans; and authorizing staff to meet with the City Treasurer to initiate the project escrow account. (Kubick)
14. Authorizing the General Manager of Public Utilities to execute a Memorandum of Understanding with the California Department of Fish and Game to control feral pigs and solicit proposals to select a professional feral animal control specialist to carry out a feral pig depredation program on PUC watershed lands within the Alameda Creek Watershed. (Davis)

REGULAR BUSINESS (Continued)

15. Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission for Clean Water Program Contract No. CW-182E, 4th Avenue Emergency Sewer Replacement, and requesting the Board of Supervisors to approve the expenditure of funds for the emergency work. (Quan)
16. Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission for Clean Water Program Contract No. CW-194E, Duboce Avenue Emergency Sewer Replacement, and requesting the Board of Supervisors to approve the expenditure of funds for the emergency work. (Quan)

LEASES AND PERMITS

17. Discussion on whether to declare certain City owned parcels under the jurisdiction of the PUC located on and between Tucker Avenue and Leland Avenue in Visitation Valley (also known as Reis Tract) surplus to the present and future needs of the Water Department; and whether to authorize the General Manager of Public Utilities to request the Director of Property to sell certain parcels at public auction and transfer others to the Recreation and Park Department for their continued use as a public park at historical cost. (Dowd)
18. Directing staff to implement a new policy with regard to non-profit and public agency use of PUC lands. (Continued from the meeting of January 12, 1999.) (Dowd)
19. Authorizing the General Manager of Public Utilities to execute a permit with Mahikari of America, San Francisco DOJO, a non profit organization, for landscaping, vehicular and pedestrian cross over to adjoining land and building of permittee on a portion of Parcel 57A of San Francisco lands, adjacent to 1155 Junipero Serra Boulevard in San Francisco. (Continued from the meeting of January 12, 1999.) (Dowd)
20. Authorizing the General Manager of Public Utilities to execute a Memorandum of Understanding and related documents with the Recreation and Park Department of the City and County of San Francisco, to occupy an office consisting of approximately 110 square feet, located in the Southeast Community Facility, 1800 Oakdale Avenue in San Francisco. (Dowd)

LEASES AND PERMITS (Continued)

21. Authorizing the General Manager of Public Utilities to execute a 40-year lease agreement with Hansen PSC, Inc., for approximately .542 acres of PUC land located on a portion of Parcel 2007(1) of Bay Division Pipeline Nos. 1 and 2 right of way in Menlo Park, California, for parking, landscaping, crossover and access to tenant's adjacent land and building, at an annual rental rate of \$24,852. (Continued from the meeting of December 15, 1998.) (Dowd)
22. Declaring Lot 001, Block 1334, 125 El Camino Del Mar, San Francisco (aka the "Billman Property") surplus property and authorizing the General Manager of Public Utilities to request the Director of Property to determine the fair market value of the property, advertise it for sale, hold a public auction, and prepare and submit legislation to the Board of Supervisors to accommodate the sale of the property. (Dowd)
23. Authorizing the General Manager of Public Utilities to execute a lease with Gallade Chemical Company to utilize a portion of Bay Division Pipelines No. 1 and 2, Parcels 1224(1), 1269, 1270 and 1271(3) in Newark, Alameda County for access, parking and landscaping purposes at an annual base rent of \$1,916.46. (Dowd)
24. Authorizing the General Manager of Public Utilities to execute a Second Amendment to the parking and landscaping lease with MELP VII L.P. related to .346 acres of PUC land located on a portion of Parcel 144 of Bay Division Pipelines No. 3 and 4 right of way in Santa Clara, California, extending the term forty years from the date of the amendment. (Dowd)
25. Authorizing the General Manager of Public Utilities to execute a lease with MVA Resources, Inc. for approximately 3,148 sq. ft. of PUC land located on a portion of Parcel 57A of the San Andreas Pipeline right of way in San Francisco, California for vehicular access for an annual rental rate of \$28,800.00. (Dowd)

CONSTRUCTION CONTRACTS

Advertise

26. Approving the final plans and specifications for Water Department Contract No. WD-2290, Sunol Water Temple Phase 1 Building Restoration; and authorizing advertisement for bids. (Continued from the meeting of January 12, 1999. Proposed for continuance to February 9, 1999.) (Quan)

Award

27. Awarding Clean Water Program Contract No. CW-120, Illinois/Cesar Chavez Street Sewer Replacement, in the amount of \$2,769,400 to the lowest, responsive and responsible bidder, Troy's Contracting/D'arcy & Harty Construction, Inc. (Joint Venture). (Quan)
28. Awarding Clean Water Program Contract No. CW-184, Cayuga Avenue/Douglass Street/Laurel Street/Rondel Place Sewer Replacement, in the amount of \$239,015 to the lowest responsive and responsible bidder, Alpine Construction. (Quan)
29. Awarding Clean Water Program Contract No. CW-142, Southeast Water Pollution Control Plant Security Improvements, in the amount of \$620,000 to the lowest responsive and responsible bidder, Schram Construction, Inc. (Quan)

PROFESSIONAL SERVICE CONTRACTS

Amend

30. Amending the professional services agreement to continue an existing relationship with JRP Historical Consulting Services to provide professional historical consulting and archiving services, increasing the contract funding by \$20,000 and extending the contract term to December 31, 1999. (Continued from the meeting of December 15, 1998.) (Klein)
31. Amending Contract CS-458 (Geotechnical and other Specialized Engineering Services) with Geomatrix Consultants, Inc. to increase the contract amount by \$45,500 for additional scope of services related to the Seismic Assessment of Bay Division Pipelines 3 and 4 at the Hayward Fault Crossing; and extending the contract completion date from December 1, 1998 to May 31, 1999. (Quan)

CLOSED SESSION

32. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Anticipated Litigation: As Plaintiff and as Defendant
Property: 500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County.
Parties Negotiating: Nelson/Lymburn/Thompson/Malamut
City of Pleasanton
Under Negotiations: Terms and Conditions

33. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property: Bay Bridge Pump Station
Parties Negotiating: CCSF-Dowd/Sullivan
Contracting Agency: CalTrans
Under Negotiation: Terms and Conditions

34. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c): (Clayton)

Anticipated Litigation: As Plaintiff

35. Public Comments on matters to be discussed in Closed Session.

36. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

THE PUBLIC UTILITIES COMMISSION WILL GO INTO CLOSED SESSION TO DISCUSS ABOVE LISTED CLOSED SESSION MATTERS.

FOLLOWING THE CLOSED SESSION, THE PUBLIC UTILITIES COMMISSION WILL RECONVENE IN PUBLIC SESSION.

37. Announcement following Closed Session.

38. Motion regarding whether to disclose the discussions during Closed Session.

ADJOURNMENT

City and County of San Francisco
Public Utilities Commission
1155 Market Street, 4th Floor
San Francisco, CA 94103

#41
Main Public Library
Government Information Center
100 Larkin Street, 5th Floor

2
26/99
3

MINUTES

PUBLIC UTILITIES COMMISSION CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

REGULAR MEETING

January 26, 1999
1:30 P.M.
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

DOCUMENTS DEPT.

MAR 01 1999

SAN FRANCISCO
PUBLIC LIBRARY

COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
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DEPARTMENTS

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Personnel and Training
System Planning and Regulatory Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

1. Call to Order: 1:40 P.M.
2. Roll Call: Present - President Ann Moller Caen, Vice President Frank L. Cook, Commissioner E. Dennis Normandy, Commissioner Victor G. Makras

Commissioner Robert K. Werbe was excused.
3. Election of Vice President

President Caen read a letter from Vice President Werbe tendering his resignation as Vice President of the Public Utilities Commission.

President Caen called for nominations for a new Vice President. Commissioner Normandy nominated Commissioner Frank L. Cook as Vice President. Commissioner Makras seconded. The Commission unanimously elected Commissioner Cook for Vice President.

Commissioner Normandy requested staff to prepare a resolution in appreciation of Commissioner Werbe's term of office as Vice President and Commissioner.
4. Approval of Minutes

Moved by Commissioner Cook, seconded by Commissioner Normandy, to approve the Minutes of the Regular Meeting of January 12, 1999; passed (4-0) unanimously.
5. Communications

No action was taken.
6. Introduction of Old/Ongoing Business by Commissioners

No action was taken.

7. Introduction of New Business by Commissioners

Commissioner Normandy expressed concerns about the increasing number of faxes he receives particularly on the mornings of the regular meetings. He requested the Commission Secretary's assistance in minimizing these "catch-up" fax transmissions. Commissioner Makras and Commissioner Cook shared the same concerns. Commissioner Makras suggested that documents related to items on the agenda should be submitted in advance to give the Commission sufficient time to deal with issues before them.

8. Report of the General Manager

Anson B. Moran, General Manager of Public Utilities, reported on an article in the San Francisco Independent entitled "*Water Bosses' Money Switch could Hurt S.F. in Quake*". The article discussed the re-appropriation of funds between capital projects at PUC that the author believed could delay work on major capital improvement projects such as the repair of the Crystal Springs pipelines. Mr. Moran noted that work on the Crystal Springs Pipeline Replacement Project was proceeding. He stated that staff would be requesting approval of the Commission in April to advertise for bids.

a. Security Badge Program

Andrew DeGraca, Manager of Water Quality Bureau, reported that pictures had been taken of 80% of the workforce to date and the badging process would be completed by the end of February 1999. Commissioner Makras inquired whether badges would be provided to contractors of the PUC. Mr. DeGraca responded that staff was looking into that matter and also other areas where security badges could be applied.

b. Personnel Processing Issues

Dorothy Bowman, Director, Bureau of Personnel & Training, gave a presentation regarding personnel processing issues. Ms. Bowman discussed the factors that contributed to the delay in filling vacant positions in PUC. Those factors she mentioned include increased workloads that resulted from the separation of the Municipal Railway from PUC and the transfer of the Clean Water Enterprise from the Department of Public Works to PUC, the implementation of collective bargaining, lack of automated systems, and cumbersome employment processes.

She stated that the current vacancy rate in PUC is 18% or 382 positions. Staff is projecting to fill 250 positions over the next six months and by the end of the fiscal year the department anticipates bringing it down to 10% vacancy rate.

Commissioner Normandy stated that he would like to know how staff plans to meet the challenges they are facing and how PUC could take a lead in improving personnel practices Citywide.

Commissioner Makras suggested establishing a benchmark that staff should meet in filling vacancies. Mr. Moran stated that staff would be meeting with the Department of Human Resources (DHR) to talk about the City's hiring process.

Commissioner Cook asked whether DHR could start working on a new list of eligibles before a list expires. Mr. Moran responded that DHR had been a victim of budget cuts for a decade and currently does not have adequate personnel to track eligible lists.

Commissioner Normandy requested that staff return to the Commission every four months to report on the progress in filling vacancies at PUC and in simplifying and speeding up the hiring process within PUC and other City agencies.

c. Overtime Expenditures

Mr. Moran referred to a memorandum submitted by Phil Arnold regarding overtime expenditures. The memo indicated that PUC's expenditures were within the budget even though they exceeded the overtime plan.

Commissioner Makras stated that he would like staff to calculate what is needed each year in overtime based on past experience and quantify that as part of the budget. He said that when overtime expenditures exceed the budget, staff should report to the Commission under the General Manager's Report. Mr. Moran stated that staff's concern was how overtime cost for individual capital projects could be reflected in the budget and they will be working on that issue.

d. Commissioner Normandy requested that staff provide a report concerning the Polk Street sewer repair project and recommendations for improvement.

9. Public Comments

There were none.

REGULAR BUSINESS

10. Requesting a supplemental appropriation request to fund the establishment and implementation of the Public Utilities Commission Year 2000 (Y2K) Embedded System Compliance Program. (Continued from the meeting of January 12, 1999)

Fonda Davidis, Project Manager, gave a presentation using electronic media.

Commissioner Normandy pointed out that he would like to see where the \$1.7 million would be spent, what the consultants would do that staff cannot do, and what would be accomplished by the project.

Commissioner Makras stated that it is reasonable to have a good business plan as to where the money is going and to incorporate that in the budget. He inquired whether staff included the Y2K Compliance Project in the bid call for as-needed consultants. He indicated that this project should have been put out for bid to create a level playing field for all consultants.

Commissioner Normandy suggested that the Commission continue the item to the next regular meeting but allow staff to continue with inventory and assessment work scheduled for completion in the next two months using funds that are already available.

Commissioner Makras also expressed concerns about the staff's request for \$1.7 million now. He suggested using the \$460,000 already available in the capital improvement budget and return to the Commission to request additional funding when the final analysis is completed. Mr. Davidis indicated that staff wanted to secure approval for the supplemental funding earlier so as not to impede the progress of the project due to the lengthy process involved in obtaining funding approvals.

Commissioner Makras requested that staff provide a written report to the Commission regarding the money expended on the project and if there were consultants that worked on the project to identify the name of the consultant and the overhead costs of the consultant for supervising the project.

Moved by Commissioner Normandy, seconded by Commissioner Makras, to continue Item 10 to the next regular Commission meeting scheduled on February 9, 1999; passed (4-0) unanimously.

11. Authorizing a five-year Memorandum of Understanding with the San Francisco Unified School District and the Solid Waste Management Program to implement a water and energy conservation education program in San Francisco public schools. (Continued from the meeting of January 12, 1999).

Moved by Commissioner Normandy, seconded by Commissioner Cook, to adopt Item 11; passed (4-0) unanimously.

Resolution No. 99-0016: Authorizing the General Manager of Public Utilities to negotiate and execute a five-year Memorandum of Understanding with the San Francisco Unified School District and the Solid Waste Management Program to implement a comprehensive water and energy conservation education program in San Francisco public schools, for an annual amount not to exceed \$50,000.

At 3:38 P.M., the meeting was recessed. At 3:55 p.m., the meeting reconvened.

12. Authorizing a Pilot Faucet Replacement Program.

Boozarpour Manoucher, Project Manager, gave a presentation on the proposed Pilot Faucet Replacement Program.

Commissioner Normandy suggested that staff coordinate with the PUC Communications staff and the Customer Service Bureau to make sure that there is adequate community outreach for the program and that the program is incorporated in the overall Communications Plan. John Mullane, Manager of Customer Service Bureau, stated that information about the program would be included in the water quality report that the Bureau sends to all households.

Commissioner Makras suggested that expanding the program to all households in San Francisco would be in the best interest of PUC. Commissioner Normandy concurred. Commissioner Cook suggested targeting consumers in four-unit dwellings to capture the majority of the City's population who are renters.

Commissioner Normandy suggested targeting all households and implementing the program in two phases. The first phase would constitute staff's recommendation as submitted to focus on licensed daycare centers, in-house daycare providers and participants of the Women, Infants, and Children (WIC) Program. Phase 2 would constitute the larger population.

Moved by Commissioner Makras, seconded by Commissioner Normandy, to adopt Item 12; passed (4-0) unanimously.

Resolution No. 99-0017: Authorizing the Manager of the Water Quality Bureau to implement a Pilot Faucet Replacement Program to reduce public lead exposure from drinking water.

Discussion of Item 13 was deferred until after the Closed Session.

14. Authorizing a Memorandum of Understanding with the California Department of Fish and Game to control feral pigs.

Commissioner Normandy expressed concerns regarding the disposal of the carcasses of wild pigs. The MOU provides choices whether immediate burial on site or transfer to a processing site. Commissioner Cook expressed concerns about the possibility of contamination if the burial on-site alternative is imposed.

Joseph Naras, Land Resources Manager, responded that transporting carcasses off the property would be time consuming and energy inefficient in some remote locations. He stated that staff would be working with the Food and Drug Administration and the California Department of Fish and Game in looking at the possibility of donating wild pig carcasses to charitable organizations and minimize waste of this resource.

Commissioner Normandy suggested that staff include provisions in the contract, with the selected feral animal control specialist, that the contractor would be responsible for transporting the carcasses to a local rendering facility and maintaining records of pigs removed from SFPUC-owned lands.

Commissioner Makras stated that he would support the item if the pigs' carcasses will be removed from SFPUC premises.

Moved by Commissioner Cook, seconded by Commissioner Normandy, to adopt Item 14; passed (4-0) unanimously.

Resolution No. 99-0019: Authorizing the General Manager of Public Utilities to execute a Memorandum of Understanding with the California Department of Fish and Game to control feral pigs and solicit proposals to select a professional feral animal control specialist to carry out a feral pig depredation program on PUC watershed lands within the Alameda Creek Watershed.

15. Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission for Clean Water Program Contract No. CW-182E.

Moved by Commissioner Normandy, seconded by Commissioner Cook, to adopt Item 15; passed (4-0) unanimously.

Resolution No. 99-0020: Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission for Clean Water Program Contract No. CW-182E, 4th Avenue Emergency Sewer Replacement, and requesting the Board of Supervisors to approve the expenditure of funds for the emergency work.

16. Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission for Clean Water Program Contract No. CW-194E.

Moved by Commissioner Normandy, seconded by Commissioner Cook, to adopt Item 16; passed (4-0) unanimously.

Resolution No. 99-0021: Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission for Clean Water Program Contract No. CW-194E, Duboce Avenue Emergency Sewer Replacement, and requesting the Board of Supervisors to approve the expenditure of funds for the emergency work.

LEASES AND PERMITS

17. Discussion on whether to declare certain City owned parcels under the jurisdiction of the PUC located on and between Tucker Avenue and Leland Avenue in Visitation Valley (also known as Reis Tract) surplus to the present and future needs of the Water Department; and whether to authorize the General Manager of Public Utilities to request the Director of Property to sell certain parcels at public auction and transfer others to the Recreation and Park Department for their continued use as a public park at historical cost.

Moved by Commissioner Caen, seconded by Commissioner Cook, to continue Item 17 to the next regular PUC meeting scheduled on February 9, 1999; passed (4-0) unanimously.

18. Approving a policy with regard to nonprofit and public agency use of PUC lands.
(Continued from the meeting of January 12, 1999.)

Garrett Dowd, Manager, Bureau of Commercial Land Management, stated that staff was recommending not to require permit fees for public streets and municipal utility crossings and for park, recreation and landscaping. For other uses, such as parking on top of pipeline right of ways, the permit fee would be based on 50% of the property's fair market value which would be determined by staff. Mr. Dowd stated that existing lease and permit holders would be notified that such policy was adopted by PUC and that they will receive rate increases over the course of a four-year period.

Public Comments:

Maria Sanders, a consultant for Trust for Public Lands; and Anne Seeman, representing the Friends of Visitacion Valley Parks, stated that they would not make any comments since no permit fees will be charged for park, recreation and landscaping uses. In response to Commissioner Normandy's question on whether the two public speakers concur with the policy, Ms. Sanders stated that they were comfortable with the policy as recommended. They were concerned when staff initially proposed a permit fee for parks and landscaping of 50% of fair market value and that fee would be too high for them.

Commissioner Makras suggested amending the annual use fee for "Other Uses" to include that the permit/lease fee would be based on 50% of the appraised value of the land or improvement multiplied by the appropriate rate of return.

Moved by Commissioner Cook, seconded by Commissioner Makras, to adopt Item 18 as amended; passed (4-0) unanimously.

Moved by Commissioner Cook, seconded by Commissioner Makras, to adopt Item 18 as amended; passed (4-0) unanimously.

Resolution No. 99-0022: Directing staff to implement a new policy with regard to nonprofit and public agency use of PUC lands and approving the fee schedule.

19. Authorizing the General Manager of Public Utilities to execute a permit with Mahikari of America, San Francisco DOJO, a non profit organization, for landscaping, vehicular and pedestrian cross over to adjoining land and building of permittee on a portion of Parcel 57A of San Francisco lands, adjacent to 1155 Junipero Serra Boulevard in San Francisco. (Continued from the meeting of January 12, 1999.)

Moved by Commissioner Normandy, seconded by Commissioner Cook, to continue Item 19 to the call of the Chair; passed (4-0) unanimously.

20. Authorizing a Memorandum of Understanding and related documents with the Recreation and Park Department to occupy an office in the Southeast Community Facility, 1800 Oakdale Avenue in San Francisco.

Moved by Commissioner Makras, seconded by Commissioner Normandy, to adopt Item 20; passed (4-0) unanimously.

Resolution No. 99-0023: Authorizing the General Manager of Public Utilities to execute a Memorandum of Understanding and related documents with the Recreation and Park Department of the City and County of San Francisco, to occupy an office consisting of approximately 110 square feet, located in the Southeast Community Facility, 1800 Oakdale Avenue in San Francisco.

21. Authorizing a 40-year lease agreement with Hansen PSC, Inc., for approximately .542 acres of PUC land located on a portion of Parcel 2007(1) of Bay Division Pipeline Nos. 1 and 2 right of way in Menlo Park, California. (Continued from the meeting of December 15, 1998.)

Moved by Commissioner Cook, seconded by Commissioner Makras, to adopt Item 21; passed (4-0) unanimously.

Resolution No. 99-0024: Authorizing the General Manager of Public Utilities to execute a 40-year lease agreement with Hansen PSC, Inc., for approximately .542 acres of PUC land located on a portion of Parcel 2007(1) of Bay Division Pipeline Nos. 1 and 2 right of way in Menlo Park, California, for parking, landscaping, crossover and access to tenant's adjacent land and building, at an annual rental rate of \$24,852.

22. Declaring Lot 001, Block 1334, 125 El Camino Del Mar, San Francisco (aka the "Billman Property") surplus property and authorizing the General Manager of Public Utilities to request the Director of Property to determine the fair market value of the property, advertise it for sale, hold a public auction, and prepare and submit legislation to the Board of Supervisors to accommodate the sale of the property.

Public Comments:

Wendy Poinsot, Environmental Protection Specialist for the Presidio of San Francisco and an employee of the National Park Service read a letter from Brian O'Neill, Superintendent of the Golden Gate National Recreation Area (GGNRA), urging the Commission to table the sale of the property and retain it as a permanent open space.

Peter Winkelstein and Ted Suindells, who live adjacent to the "Billman Property", urged the Commission to retain the property as open space and continue the item to give them time to investigate how this property could be maintained as open space..

Commissioner Cook suggested continuance of the item to the last Commission meeting in February to give the speakers time to conduct their investigation.

Commissioner Normandy requested that the City Attorney's office provide a report to the Commission whether any promises were made by the City to keep the property as open space.

Moved by Commissioner Cook, seconded by Commissioner Makras, to continue Item 22 to the regular PUC meeting scheduled on February 23, 1999; passed (4-0) unanimously.

23. Authorizing a lease with Gallade Chemical Company to utilize a portion of Bay Division Pipelines No. 1 and 2, Parcels 1224(1), 1269, 1270 and 1271(3) in Newark, Alameda County.

Moved by Commissioner Cook, seconded by Commissioner Normandy, to adopt Item 23; passed (4-0) unanimously.

Resolution No. 99-0025: Authorizing the General Manager of Public Utilities to execute a lease with Gallade Chemical Company to utilize a portion of Bay Division Pipelines No. 1 and 2, Parcels 1224(1), 1269, 1270 and 1271(3) in Newark, Alameda County for access, parking and landscaping purposes at an annual base rent of \$1,916.46.

24. Authorizing a Second Amendment to the parking and landscaping lease with MELP VII L.P.

Moved by Commissioner Caen, seconded by Commissioner Makras, to adopt Item 24; passed (4-0) unanimously.

Resolution No. 99-0026: Authorizing the General Manager of Public Utilities to execute a Second Amendment to the parking and landscaping lease with MELP VII L.P. related to .346 acres of PUC land located on a portion of Parcel 144 of Bay Division Pipelines No. 3 and 4 right of way in Santa Clara, California, extending the term forty years from the date of the amendment.

25. Authorizing the General Manager of Public Utilities to execute a lease with MVA Resources, Inc. for approximately 3,148 sq. ft. of PUC land located on a portion of Parcel 57A of the San Andreas Pipeline right of way in San Francisco, California for vehicular access for an annual rental rate of \$28,800.00.

Commissioner Makras stated that the City's right of way is mandatory to the operation of the lessee and he believed that a different rate formula should apply to this particular lease.

Moved by Commissioner Makras, seconded by Commissioner Normandy, to continue Item 25 to the call of the Chair; passed (4-0) unanimously.

CONSTRUCTION CONTRACTS

Advertise

26. Approving the final plans and specifications for Water Department Contract No. WD-2290, Sunol Water Temple Phase 1 Building Restoration; and authorizing advertisement for bids. (Continued from the meeting of January 12, 1999.)

Moved by Commissioner Caen, seconded by Commissioner Normandy, to continue Item 26 to the next regular PUC meeting scheduled on February 9, 1999; passed (4-0) unanimously.

Award

Moved by Commissioner Makras, seconded by Commissioner Normandy, to adopt Item Nos. 27, 28 and 29; passed (4-0) unanimously.

27. Resolution No. 99-0027: Awarding Clean Water Program Contract No. CW-120, Illinois/Cesar Chavez Street Sewer Replacement, in the amount of \$2,769,400 to the lowest, responsive and responsible bidder, Troy's Contracting/D'arcy & Harty Construction, Inc. (Joint Venture).

28. Resolution No. 99-0028: Awarding Clean Water Program Contract No. CW-184, Cayuga Avenue/Douglass Street/Laurel Street/Rondel Place Sewer Replacement, in the amount of \$239,015 to the lowest responsive and responsible bidder, Alpine Construction.

29. Resolution No. 99-0029: Awarding Clean Water Program Contract No. CW-142, Southeast Water Pollution Control Plant Security Improvements, in the amount of \$620,000 to the lowest responsive and responsible bidder, Schram Construction, Inc.

PROFESSIONAL SERVICE CONTRACTS

Amend

30. Amending the professional services agreement with JRP Historical Consulting Services. (Continued from the meeting of December 15, 1998.)

Moved by Commissioner Makras, seconded by Commissioner Normandy, to adopt Item 30; passed (4-0) unanimously.

Resolution No. 99-0030: Amending the professional services agreement to continue an existing relationship with JRP Historical Consulting Services to provide professional historical consulting and archiving services, increasing the contract funding by \$20,000 and extending the contract term to December 31, 1999.

31. Amending the contract with Geomatrix Consultants, Inc. for services related to the Seismic Assessment of Bay Division Pipelines 3 and 4 at the Hayward Fault Crossing.

Commissioner Cook expressed his objection to extending the contract but said that he would support the item at this time.

Moved by Commissioner Normandy, seconded by Commissioner Makras, to adopt Item 31; passed (4-0) unanimously.

Resolution No. 99-0031: Amending Contract CS-458 (Geotechnical and other Specialized Engineering Services) with Geomatrix Consultants, Inc. to increase the contract amount by \$45,500 for additional scope of services related to the Seismic Assessment of Bay Division Pipelines 3 and 4 at the Hayward Fault Crossing; and extending the contract completion date from December 1, 1998 to May 31, 1999.

CLOSED SESSION

32. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Anticipated Litigation: As Plaintiff and as Defendant
Property: 500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County.

Parties Negotiating: Nelson/Lymburn/Thompson/Malamut
City of Pleasanton

Under Negotiations: Terms and Conditions

No action was taken.

33. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property: Bay Bridge Pump Station

Parties Negotiating: CCSF-Dowd/Sullivan

Contracting Agency: CalTrans

Under Negotiation: Terms and Conditions

No action was taken.

34. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c):

Anticipated Litigation: As Plaintiff

No action was taken.

35. Public Comments on matters to be discussed in Closed Session.

There were none.

36. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

Moved by Commissioner Normandy, seconded by Commissioner Cook, to assert the attorney-client privilege; passed (4-0) unanimously.

The Public Utilities Commission went into Closed Session at 4:54 P.M. to discuss the above listed Closed Session items:

At 6:15 P.M., the Commission reconvened in an open session.

President Caen was excused. Vice President Cook presided.

37. Announcement following Closed Session.

Vice President Cook announced the actions taken during the Closed Session.

38. Motion regarding whether to disclose the discussions during Closed Session.

Moved by Commissioner Normandy, seconded by Commissioner Makras, not to disclose the discussion during the Closed Session; passed (3-0) unanimously.

The Commission resumed discussion of the remaining item on the Regular Agenda.

REGULAR AGENDA

13. Approvals related to the relocation of the Bay Bridge Pump Station.

Commissioner Makras suggested the following changes/additions to the resolved clause as follows:

Item 4, to read "(4) authorizes the General Manager to execute the letter of understanding . . . subject to resolution of certain issues raised by the City's Human Rights Commission as determined by the General Manager of Public Utilities;".

Item 5, substitute "project escrow account" with "a letter of credit" so that Item 5 would read, "(5) authorizing the General Manager of Public Utilities to establish a letter of credit in the amount of \$5 million in favor of CalTrans as beneficiary."

Moved by Commissioner Normandy, seconded by Commissioner Makras, to adopt Item 13 as amended; passed (3-0) unanimously.

Resolution No. 99-0018:

Approving the final plans and specifications for City Distribution Division Contract Specification No. WD-2259, Bay Bridge Pump Station Relocation; approving the Bay Bridge Pump Station Relocation demolition and pipeline modification contracts inclusion with the California Department of Transportation Bay Bridge Seismic Retrofit contract; approving \$4,200,000 budget reallocation to the construction of the Bay Bridge Pump Station; authorizing the General Manager of Public Utilities to execute the letter of understanding and the Pump Station Relocation Agreement with CalTrans and to take such actions as are required to effectuate the same subject to the resolution of certain issues raised by the City's Human Rights Commission as determined by the General Manager of Public Utilities; and authorizing the General Manager of Public Utilities to establish a letter of credit in the amount of \$5 million in favor of CalTrans as beneficiary.

Thereupon, the meeting was adjourned: 6:22 P.M.

Romaine A. Boldridge
Secretary

AGENDA

PUBLIC UTILITIES COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

DOCUMENTS DEPT.

FEB 04 1999

SPECIAL MEETING

SAN FRANCISCO
PUBLIC LIBRARY

February 2, 1999

1:00 P.M.

Room 402

1155 Market Street, Fourth Floor

COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Robert K. Werbe
Victor G. Makras

DEPARTMENTS

Water Department
 City Distribution Division
 Water Supply & Treatment
Hetch Hetchy Water & Power
Clean Water Program
 Water Pollution Control

BUREAUS

Commercial Land Management
Customer Service
Environmental Regulation and Management
Finance
Management Information Systems
Personnel and Training
System Planning and Regulatory Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

Disability Access

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The following services are available on request 48 hours prior to the meeting; except for Monday meetings, for which the deadline shall be 4:00 p.m. of the last business day of the preceding week: For American sign language interpreters or the use of a reader during a meeting, a sound enhancement system, and/or alternative formats of the agenda and minutes, please contact Romaine Boldridge at (415) 554-3165 to make arrangements for the accommodation. Late requests will be honored, if possible.

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Know your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code)

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils, and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force, 401 Van Ness Avenue, Room 402.

San Francisco Lobbyist Ordinance

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance [SF Admin Code §16.520-16.534] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 1390 Market Street #801, San Francisco, CA 94102, telephone (415) 554-9510, fax (415) 703-0121 and web site <http://www.ci.sf.ca.us/ethics/>.

1155 Market Street Fourth Floor Meeting Room Safety Announcement

If there is an emergency that requires meeting attendees to evacuate the building, everyone should exit the building in a calm manner using one of the two exit stairways. **Do not use the elevators.**

Your primary exit stairway is located through the elevator lobby and to the right past the restroom. If the exit is not useable, PUC staff will direct you to the alternate exit.

All exit ways are marked by green overhead exit signs. In the event that the building alarm is activated, fire doors that are usually left open may close but they will not lock. You may have to go through a closed door to reach the exit stairway.

If you require assistance in evacuating, please request the aid of PUC staff.

ORDER OF BUSINESS

1. Call to Order

2. Roll Call

THE FOLLOWING MATTERS BEFORE THE PUBLIC UTILITIES COMMISSION ARE RECOMMENDED FOR ACTION AS STATED, BY THE GENERAL MANAGER OF PUBLIC UTILITIES, AND CITY ATTORNEY WHERE APPLICABLE.

3. Public Hearing to consider budget proposals for the enterprises and bureaus under the jurisdiction of the Public Utilities Commission for Fiscal Year 1999-2000 Operating Budgets.
4. Presentation by staff of proposed Capital Programs for enterprises under the jurisdiction of the Public Utilities Commission.

ADJOURNMENT

NOTICE OF SPECIAL MEETING AND PUBLIC HEARING

The Public Utilities Commission will hold a special meeting on Wednesday, February 17, 1999, at 2:00 P.M., at Room 402, 1155 Market Street, San Francisco, California to conduct public hearing on Fiscal Year 1999-2000 Operating Budgets and Capital Programs.

City and County of San Francisco
Public Utilities Commission
1155 Market Street, 4th Floor
San Francisco, CA 94103

#41
Main Public Library
Government Information Center
100 Larkin Street, 5th Floor

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MINUTES

PUBLIC UTILITIES COMMISSION CITY AND COUNTY OF SAN FRANCISCO

**Willie L. Brown, Jr.
MAYOR**

SPECIAL MEETING

February 2, 1999
1:00 P.M.
Room 402
1155 Market Street, Fourth Floor

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MAR 01 1999

COMMISSIONERS

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PUBLIC LIBRARY**

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Robert K. Werbe
Victor G. Makras

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Hetch Hetchy
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BUREAUS

Commercial Land Management
Customer Service
Environmental Regulation and Management
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Management Information Systems
Personnel and Training
System Planning and Regulatory Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

1. Call to Order: 1:10 P.M.
2. Roll Call:
Present - President Ann Moller Caen, Commissioner E. Dennis Normandy, Commissioner Victor G. Makras

Vice President Frank L. Cook arrived at 1:12 P.M.

Excused - Commissioner Robert K. Werbe
3. Public Hearing to consider budget proposals for the enterprises and bureaus under the jurisdiction of the Public Utilities Commission for Fiscal Year 1999-2000 Operating Budgets.

Anson B. Moran, General Manager of Public Utilities, stated that staff had provided the following materials in response to the Commission requests: a revised set of projections which include prior year actuals; expanded budget summaries to include a projection of spending in the current fiscal year; a history of overtime spending; a full accounting of vacancies and positions which had been vacant for more than one year; a full accounting of budgeted overtime; an analysis of 24 hour shift options; information on employees who earned more than 15% in overtime; and a 7-page version of the proposed budget.

Commissioner Makras requested a recommendation regarding the best shift plan from an operational point of view.

Commissioner Makras requested that the professional services contract sheets include expiration and rebid dates. Mr. Moran stated that the budget sets up the authority to spend. He suggested that the information requested could be included in the quarterly report.

Mr. Moran went through the budget by budget unit and answered questions from the Commission.

President Caen requested that staff update the organization charts to 1999.

President Caen opened the meeting for public comments. There were none.

4. Presentation by staff of proposed Capital Programs for enterprises under the jurisdiction of the Public Utilities Commission.

Mr. Moran stated that the projects included in the Capital Program are those that are most important, ready to proceed and refundable within the multiple year projections.

Commissioner Normandy suggested that the Commission consider semiannual reviews of the budget by each department particularly in the areas of:

- personnel and benefits, ramifications of MOUs and attrition rate;
- professional and specialized services;
- services of other departments;
- maintenance and operations;
- debt services; and
- taxes, licenses and permits.

He suggested a recap format for presenting the information.

President Caen concurred.

President Caen asked for public comments. There were none.

On motion of Commissioner Makras, seconded by Commissioner Normandy the public hearing was continued to a special meeting on Wednesday, February 17, 1999, at 2:00 P.M. in Room 402, 1155 Market Street, San Francisco, California.

Thereupon, the meeting was adjourned: 2:40 P.M.

Romaine A. Boldridge
Secretary

NOTICE OF CANCELLATION

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Public Utilities Commission
City and County of San Francisco

FEB 08 1999

SAN FRANCISCO
PUBLIC LIBRARY

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82
2
/9/99
Cancelled

Notice is hereby given that the Regular Meeting of the Public Utilities Commission for Tuesday, February 9, 1999, has been canceled.

The next meeting of the Commission will be a Special Meeting on Wednesday, February 17, 1999, at 2:00 P.M., in Room 402, 1155 Market Street, San Francisco.

The next Regular Meeting of the Public Utilities Commission will be held on Tuesday, February 23, 1999, at 1:30 P.M., in Room 400, City Hall, 1 Dr. Carlton B. Goodlett Place, San Francisco.

Romaine A. Boldridge
Secretary

City and County of San Francisco
Public Utilities Commission
1155 Market Street, 4th Floor
San Francisco, CA 94103

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Government Information Center
100 Larkin Street, 5th Floor

AGENDA

PUBLIC UTILITIES COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

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Willie L. Brown, Jr.
MAYOR

FEB 12 1999

SAN FRANCISCO
PUBLIC LIBRARY

SPECIAL MEETING

Wednesday, February 17, 1999

2:00 P.M.

Room 402

1155 Market Street, Fourth Floor

COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Robert K. Werbe
Victor G. Makras

DEPARTMENTS

Water Department
 City Distribution Division
 Water Supply & Treatment
Hetch Hetchy Water & Power
Clean Water Program
 Water Pollution Control

BUREAUS

Commercial Land Management
Customer Service
Environmental Regulation and Management
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Anson B. Moran
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Romaine A. Boldridge
SECRETARY

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San Francisco Lobbyist Ordinance

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1155 Market Street Fourth Floor Meeting Room Safety Announcement

If there is an emergency that requires meeting attendees to evacuate the building, everyone should exit the building in a calm manner using one of the two exit stairways. **Do not use the elevators.**

Your primary exit stairway is located through the elevator lobby and to the right past the restroom. If the exit is not useable, PUC staff will direct you to the alternate exit.

All exit ways are marked by green overhead exit signs. In the event that the building alarm is activated, fire doors that are usually left open may close but they will not lock. You may have to go through a closed door to reach the exit stairway.

If you require assistance in evacuating, please request the aid of PUC staff.

ORDER OF BUSINESS

1. Call to Order
2. Roll Call

THE FOLLOWING MATTERS BEFORE THE PUBLIC UTILITIES COMMISSION ARE RECOMMENDED FOR ACTION AS STATED, BY THE GENERAL MANAGER OF PUBLIC UTILITIES, AND CITY ATTORNEY WHERE APPLICABLE.

SPECIAL ORDER OF BUSINESS

3. Public Hearing to consider budget proposals for the enterprises and bureaus under the jurisdiction of the Public Utilities Commission for Fiscal Year 1999-2000 Operating Budgets and Capital Programs. (Carmichael)

CLOSED SESSION

4. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Anticipated Litigation: As Plaintiff and as Defendant
Property: 500+ acres of San Francisco Water Department property on
Bernal Avenue in Alameda County.
Parties Negotiating: Nelson/Lymburn/Thompson/Malamut
City of Pleasanton
Under Negotiations: Terms and Conditions

5. Public Comments on matters to be discussed in Closed Session.

6. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

THE PUBLIC UTILITIES COMMISSION WILL GO INTO CLOSED SESSION TO DISCUSS ABOVE LISTED CLOSED SESSION MATTERS.

FOLLOWING THE CLOSED SESSION, THE PUBLIC UTILITIES COMMISSION WILL RECONVENE IN PUBLIC SESSION.

7. Announcement following Closed Session.

8. Motion regarding whether to disclose the discussions during Closed Session.

ADJOURNMENT

MINUTES

PUBLIC UTILITIES COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

SPECIAL MEETING

February 17, 1999
2:00 P.M.
Room 402
1155 Market Street, Fourth Floor

DOCUMENTS DEPT.

MAR 24 1999

COMMISSIONERS

SAN FRANCISCO
PUBLIC LIBRARY

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Robert K. Werbe
Victor G. Makras

DEPARTMENTS

Water Department
 City Distribution Division
 Water Supply & Treatment
Hetch Hetchy
Clean Water Program
 Water Pollution Control

BUREAUS

Commercial Land Management
Customer Service
Environmental Regulation and Management
Finance
Management Information Systems
Personnel and Training
System Planning and Regulatory Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

1. Call to Order: 2:09 P.M.
2. Roll Call:

Present -	President Ann Moller Caen, Commissioner Robert K. Werbe, Commissioner Victor G. Makras
Vice President Frank L. Cook arrived at 2:12 P.M.	
Excused -	Commissioner E. Dennis Normandy
3. Public Hearing to consider budget proposals for the enterprises and bureaus under the jurisdiction of the Public Utilities Commission for Fiscal Year 1999-2000 Operating Budgets and Capital Programs.

President Caen asked if there were any public comments on the budget. There were none.

Anson B. Moran, General Manager of Public Utilities, explained the funding plan. He said that it was developed by closing out completed projects or dormant projects and reallocating those funds to projects that are ready to go. He projected that within a year's time there would be two sources of funding -- bond funds from Propositions A and B, and revenue funded projects. \$60 million will be available for projects that are ready to go this year from reallocation of funds. Approximately \$14 million will be carried forward into next year. \$18 million is anticipated to come from revenues and \$126 million is anticipated to come from the sale of bonds in late spring or early fall this year.

Mr. Moran stated that the funding program for Hetch Hetchy would continue to maintain a contingency reserve for drought in the capital program. The Clean Water Program will require new voter authorization to sell bonds in the next year or so in order to undertake significant projects, such as, replacing the digesters and addressing odor problems.

Mr. Moran and staff answered questions from the Commission on specific projects in the capital program.

Regarding the Electric Distribution System Project, Commissioner Makras requested a list of subsidized electric hookups.

CLOSED SESSION

4. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Anticipated Litigation: As Plaintiff and as Defendant
Property: 500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County.
Parties Negotiating: Nelson/Lymburn/Thompson/Malamut
City of Pleasanton
Under Negotiations: Terms and Conditions

No action was taken.

5. Public Comments on matters to be discussed in Closed Session.

There were none.

6. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

Moved by Commissioner Cook, seconded by Commissioner Makras, to assert the attorney-client privilege regarding the matter listed above; passed (4-0) unanimously.

The Public Utilities Commission went into closed session from 3:50 P.M. to 5:15 P.M.

7. Announcement following Closed Session.

President Caen directed the Secretary to read the list of applicants qualified to bid on the Bernal Property:

The Bernal Group, Ryland Homes, managing partner. (Groupe/Callahan);
Genstar Land Co.;
Greenbriar Land Co. & Paine Webber Real Estate Fund, LP.;
Greenpark Group, LLC & Summerhill Homes (Warburg, Pincus Venture Partners);
Kaufman & Broad, South Bay Inc.;
LBCS, LLC (Lennar Communities, Brookfield Homes, Centex Homes, Shea Homes);
PLC Land Company;
Pulte Corporation;
Signature Properties & Shapell Industries;
Standard Pacific Homes of Northern California;
Suncrest Homes; and

Toll Bros.

8. Motion regarding whether to disclose the discussions during Closed Session.

Moved by Commissioner Cook, seconded by Commissioner Makras, Not to disclose the discussions during Closed Session; passed (4-0) unanimously.

Thereupon, the meeting was adjourned: 5:17 P.M.

Romaine A. Boldridge
Secretary

AGENDA

PUBLIC UTILITIES COMMISSION CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

SPECIAL MEETING

February 22, 1999
6:00 P.M.
City Hall, Room 408
1 Dr. Carlton B. Goodlett Place

COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Robert K. Werbe
Victor G. Makras

DOCUMENTS DEPT.

FEB 19 1999

SAN FRANCISCO
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DEPARTMENTS

Water Department
 City Distribution Division
 Water Supply & Treatment
Hetch Hetchy Water & Power
Clean Water Program
 Water Pollution Control

BUREAUS

Commercial Land Management
Customer Service
Environmental Regulation and Management
Finance
Management Information Systems
Personnel and Training
System Planning and Regulatory Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

For information contact the Commission Secretary at 554-3165.
Agendas and other information are available on the PUC web site:
www.ci.sf.ca.us/puc/

Disability Access

The Public Utilities Commission meeting will be held in Room 400, City Hall, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA. The Commission meeting room is wheelchair accessible. The closest accessible BART station is the Civic Center Station at United Nations Plaza and Market Street. Accessible MUNI lines serving this location are: #42 Downtown Loop, and #71 Haight/Noriega and the F Line to Market and Van Ness and the Metro Stations at Van Ness and Market and at Civic Center. For information about MUNI accessible services call (415) 923-6142. There is accessible curbside parking adjacent to City Hall on Grove Street and Van Ness Avenue and in the vicinity of the Veterans Building at 401 Van Ness Avenue adjacent to Davies Hall and the War Memorial Complex.

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ORDER OF BUSINESS

1. Call to Order
2. Roll Call

THE FOLLOWING MATTERS BEFORE THE PUBLIC UTILITIES COMMISSION ARE RECOMMENDED FOR ACTION AS STATED, BY THE GENERAL MANAGER OF PUBLIC UTILITIES, AND CITY ATTORNEY WHERE APPLICABLE.

CLOSED SESSION

3. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Anticipated Litigation: As Plaintiff and as Defendant
Property: 500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County.
Parties Negotiating: Nelson/Lymburn/Thompson/Malamut
City of Pleasanton
Under Negotiations: Terms and Conditions

4. Public Comments on matters to be discussed in Closed Session.
5. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

THE PUBLIC UTILITIES COMMISSION WILL GO INTO CLOSED SESSION TO DISCUSS ABOVE LISTED CLOSED SESSION MATTERS.

FOLLOWING THE CLOSED SESSION, THE PUBLIC UTILITIES COMMISSION
WILL RECONVENE IN PUBLIC SESSION.

6. Announcement following Closed Session.
7. Motion regarding whether to disclose the discussions during Closed Session.

ADJOURNMENT

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MINUTES

PUBLIC UTILITIES COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

SPECIAL MEETING

February 22, 1999
6:00 P.M.
City Hall, Room 408
1 Dr. Carlton B. Goodlett Place

DOCUMENTS DEPT.

MAR 24 1999

SAN FRANCISCO
PUBLIC LIBRARY

COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Robert K. Werbe
Victor G. Makras

DEPARTMENTS

Water Department
 City Distribution Division
 Water Supply & Treatment
Hetch Hetchy
Clean Water Program
 Water Pollution Control

BUREAUS

Commercial Land Management
Customer Service
Environmental Regulation and Management
Finance
Management Information Systems
Personnel and Training
System Planning and Regulatory Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

1. Call to Order: 6:08 P.M.
2. Roll Call: Present - President Ann Moller Caen, Vice President Frank L. Cook, Commissioner E. Dennis Normandy, Commissioner Robert K. Werbe

Commissioner Victor G. Makras was excused.

CLOSED SESSION

3. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Anticipated Litigation: As Plaintiff and as Defendant
Property: 500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County.
Parties Negotiating: Nelson/Lymburn/Thompson/Malamut
Under Negotiations: City of Pleasanton
Under Negotiations: Terms and Conditions

No action was taken.

4. Public Comments on matters to be discussed in Closed Session.

There were none.

5. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

Moved by Commissioner Normandy, seconded by Commissioner Werbe, to assert the attorney-client privilege; passed (4-0) unanimously.

The Public Utilities Commission met in Closed Session from 6:10 P.M. to 7:24 P.M. to discuss the above listed Closed Session item.

Commissioner Werbe was excused at 7:20 P.M.

6. Announcement following Closed Session.

President Caen announced that no action was taken during the Closed Session.

7. Motion regarding whether to disclose the discussions during Closed Session.

Moved by Commissioner Normandy, seconded by Commissioner Cook, not to disclose the discussion during the Closed Session; passed (3-0) unanimously.

Thereupon, the meeting was adjourned: 7:26 P.M.

Romaine A. Boldridge
Secretary

AGENDA

PUBLIC UTILITIES COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

DOCUMENTS DEPT.

**Willie L. Brown, Jr.
MAYOR**

FEB 18 1999

**SAN FRANCISCO
PUBLIC LIBRARY**

REGULAR MEETING

**February 23, 1999
1:30 P.M.
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place**

COMMISSIONERS

**Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Robert K. Werbe
Victor G. Makras**

DEPARTMENTS

**Water Department
 City Distribution Division
 Water Supply & Treatment
Hetch Hetchy Water & Power
Clean Water Program
 Water Pollution Control**

BUREAUS

**Commercial Land Management
Customer Service
Environmental Regulation and Management
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Utilities Engineering Bureau
Water Quality**

**Anson B. Moran
GENERAL MANAGER**

**Romaine A. Boldridge
SECRETARY**

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ORDER OF BUSINESS

1. Call to Order
2. Roll Call
3. Approval of Minutes
4. Communications
5. Introduction of Old/Ongoing Business by Commissioners
6. Introduction of New Business by Commissioners
7. Report of the General Manager
8. Public Comments

Members of the public may address the Commission on matters that are within the Commission's jurisdiction and are not on today's agenda.

THE FOLLOWING MATTERS BEFORE THE PUBLIC UTILITIES COMMISSION ARE RECOMMENDED FOR ACTION AS STATED, BY THE GENERAL MANAGER OF PUBLIC UTILITIES, AND CITY ATTORNEY WHERE APPLICABLE.

REGULAR BUSINESS

9. Expressing appreciation and gratitude to Robert K. Werbe for his leadership and fellowship as Vice President of the Public Utilities Commission. (Moran)
10. Public Hearing to consider adopting budget proposals for the enterprises and bureaus under the jurisdiction of the Public Utilities Commission for Fiscal Year 1999-2000 Operating Budgets and Capital Programs. (Continued from the meeting of February 17, 1999.) (Carmichael)
 - a) Adopting the proposed operating budgets for PUC enterprises and bureaus for the Fiscal Year 1999-2000.
 - b) Adopting the proposed PUC Capital Improvement Program for Hetch Hetchy Water and Power, Water, and Clean Water Enterprises for Fiscal Year 1999-2000.
11. Authorizing the General Manager of Public Utilities to request the Controller to reallocate funds from various projects to meet the funding needs identified for the Water Enterprise. (Carmichael)
12. Establishing an objective for water supply reliability for San Francisco and directing staff to consider various water resource alternatives to meet the objective. (Williams) 7 mins.
13. Authorizing the General Manager of Public Utilities to submit to the Mayor and the Board of Supervisors a supplemental appropriation request for \$1.7 million to fund the establishment and implementation of the Public Utilities Commission Year 2000 (Y2K) Embedded System Compliance Program. (Continued from the meeting of January 26, 1999.) (Olsen/Davidis)

LEASES AND PERMITS

14. Discussion on whether to declare certain City owned parcels under the jurisdiction of the PUC located on and between Tucker Avenue and Leland Avenue in Visitation Valley (also known as Reis Tract) surplus to the present and future needs of the Water Department; and whether to authorize the General Manager of Public Utilities to request the Director of Property to sell certain parcels at public auction and transfer others to the Recreation and Park Department for their continued use as a public park at historical cost. (Continued from the meeting of January 26, 1999. Proposed for further continuance.) (Dowd)
15. Declaring Lot 001, Block 1334, 125 El Camino Del Mar, San Francisco (aka the "Billman Property") surplus property and authorizing the General Manager of Public Utilities to request the Director of Property to determine the fair market value of the property, advertise it for sale, hold a public auction, and prepare and submit legislation to the Board of Supervisors to accommodate the sale of the property. (Continued from the meeting of January 26, 1999.) (Dowd)
16. Authorizing the General Manager of Public Utilities to execute a lease with Cisco Systems, Inc. for approximately 2.52 acres of PUC land located on Parcels 120 and 121 of Bay Division Pipeline Nos. 3 and 4 right of way in Milpitas, California for a parking lot, utilities, landscaping purposes, and ingress and egress to and from adjacent buildings and driveways at an annual rental rate of \$129,120.00. (Dowd)
17. Authorizing the General Manager of Public Utilities to execute a revocable permit with The San Francisco School for use of Islais Creek Lots portion of Parcel 39 for playground, with basketball court, sports field and garden area at an annual use fee of \$4,525.32. (Dowd)

CONSTRUCTION CONTRACTS

Advertise

18. Approving the final plans and specifications for Water Department Contract No. WD-2290, "Sunol Water Temple Phase 1 Building Restoration"; authorizing advertisement for bids; authorizing the General Manager of Public Utilities to award the contract to the lowest responsive and responsible bidder; and approving the additional funding for Phase 1 in the amount of \$131,550 to be transferred from BDPL #1 and #2 Seismic Analysis Project. (Continued from the meeting of January 26, 1999.) (Quan)
19. Approving the final plans and specifications for Water Department Contract No. WD-2214, "8-Inch Ductile Iron Main Installation in Broadway between Scott Street and Van Ness Avenue"; and authorizing advertisement for bids. (Quan)
20. Approving the final plans and specifications for Water Department Contract No. WD-2240, "8-Inch Ductile Iron Main Installation and Sewer Replacement in Golden Gate Avenue between Van Ness Avenue and Divisadero Street"; and authorizing advertisement for bids.
21. Approving the final plans and specifications for Water Department Contract No. WD-2257, "8-Inch Ductile Iron Main Installation in Waller Street between Stanyan Street and Central Avenue"; and authorizing advertisement for bids. (Quan)

Award

22. Awarding Clean Water Program Contract No. CW-175, "Broad Street Sewer Replacement", in the amount of \$88,464 to Insituform West, Inc. as the lowest responsive and responsible bidder. (Quan)

Close

23. Accepting the work performed for Utilities Engineering Contract Specification No. CW-109, "Shotwell/Moultrie/26th Streets Sewer Replacement"; approving contract Modification in the credit amount of \$5,350.00; and approving final payment in the amount of \$10,725 to the contractor, Ranger Pipeline/A. Answer Joint Venture. (Quan)
24. Rejecting bids submitted for Contract No. CW-107R, "Bush/Kearny/Post/Sutter Streets Sewer Replacement"; and canceling the contract. (Quan)

PROFESSIONAL SERVICE CONTRACTS

Award

25. Authorizing the Manager of the Bureau of Environmental Regulation and Management to negotiate and execute agreements with Baseline Environmental, Camp Dresser and McKee, Inc.; Brown and Caldwell/GKO, Joint Venture; Tetra Tech; and Olivia Chen Consultants to provide as needed environmental consulting services for a period not to exceed two years and total spending authority not to exceed \$3,000,000. (Medbery)

Amend

26. Approving the increase in the contract amount with Public Affairs Management Inc. for watershed planning, public affairs and other activities by \$60,000; and approving the increase in the contract amount with O'Rourke Public Relations for wastewater/environmental public education, public affairs and other activities by \$45,000. (Dayonot)

CLOSED SESSION

27. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Anticipated Litigation: As Plaintiff and as Defendant
Property: 500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County.
Parties Negotiating: Nelson/Lymburn/Thompson/Malamut
City of Pleasanton
Under Negotiations: Terms and Conditions

28. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property: Portions of Parcel 65 in Sunol, Alameda County
Parties Negotiating: CCSF - Dowd/Milstein
Lessee: Mission Valley Rock/RMC Lonestar
Under Negotiation: Price and Terms

29. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c): (Sullivan/Dowd)

Anticipated Litigation: As Defendant
Regarding Lot 001, Block 1334, formerly 125 El Camino del Mar in San Francisco, California (aka the Billman Property).

30. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c): (Clayton)

Anticipated Litigation: As Plaintiff

31. Public Comments on matters to be discussed in Closed Session.

32. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

THE PUBLIC UTILITIES COMMISSION WILL GO INTO CLOSED SESSION TO DISCUSS ABOVE LISTED CLOSED SESSION MATTERS.

FOLLOWING THE CLOSED SESSION, THE PUBLIC UTILITIES COMMISSION WILL RECONVENE IN PUBLIC SESSION.

33. Announcement following Closed Session.

34. Motion regarding whether to disclose the discussions during Closed Session.

ADJOURNMENT

City and County of San Francisco
Public Utilities Commission
1155 Market Street, 4th Floor
San Francisco, CA 94103

#41
Main Public Library
Government Information Center
100 Larkin Street, 5th Floor

MINUTES

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

REGULAR MEETING

February 23, 1999
1:30 P.M.
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

DOCUMENTS DEPT.

COMMISSIONERS

APR 12 1999

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Robert K. Werbe
Victor G. Makras

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DEPARTMENTS

Water Department
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Clean Water Program
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Commercial Land Management
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Personnel and Training
System Planning and Regulatory
Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

1. Call to Order: 1:40 P.M.
2. Roll Call:
Present - President Ann Moller Caen, Vice President Frank L. Cook, Commissioner E. Dennis Normandy

Commissioner Victor G. Makras arrived at 1:44 p.m.

Excused - Commissioner Robert K. Werbe

The Commission took the agenda out of order and continued Items 14, 15, 19, 20 and 21.

8. Public comments on matters that were not on today's agenda.

There were none.

CLOSED SESSION

31. Public Comments on matters to be discussed in Closed Session.
 - There were none.
32. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

Moved by Commissioner Normandy, seconded by Commissioner Cook, to assert the attorney-client privilege; passed (3-0) unanimously.

Note: Commissioner Makras arrived at 1:44 p.m.

The Public Utilities Commission went into Closed Session at 1:45 p.m. to discuss the following matters:

27. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Anticipated Litigation: As Plaintiff and as Defendant
Property: 500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County.
Parties Negotiating: Nelson/Lymburn/Thompson/Malamut
City of Pleasanton
Under Negotiations: Terms and Conditions

No action taken.

28. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property: Portions of Parcel 65 in Sunol, Alameda County
Parties Negotiating: CCSF - Dowd/Milstein
Lessee: Mission Valley Rock/RMC Lonestar
Under Negotiation: Price and Terms

No action taken.

29. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c): (Sullivan/Dowd)

Anticipated Litigation: As Defendant

Regarding Lot 001, Block 1334, formerly 125 El Camino del Mar in San Francisco, California (aka the Billman Property).

No action taken.

30. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c): (Clayton)

Anticipated Litigation: As Plaintiff

No action taken.

At 3:31 p.m. the Public Utilities Commission reconvened in an open session.

33. Announcement following Closed Session.

President Caen announced the actions taken during the Closed Session.

34. Motion regarding whether to disclose the discussions during Closed Session.

Moved by Commissioner Cook, seconded by Commissioner Normandy, not to disclose the discussion during the Closed Session; passed (4-0) unanimously.

REGULAR

3. Approval of Minutes

Moved by Commissioner Normandy, seconded by Commissioner Cook, to approve the Minutes of the Special Meeting of January 19, 1999, the Minutes of the Regular Meeting of January 26, 1999 and the Minutes of the Special Meeting of February 2, 1999; passed (4-0) unanimously.

4. Communications

No action was taken.

5. Introduction of Old/Ongoing Business by Commissioners

No action was taken.

6. Introduction of New Business by Commissioners

Commissioner Cook expressed his appreciation in being invited to the Employee Recognition Award Celebration held on February 18, 1999 and commended staff for their efforts in making it such a positive occasion.

7. Report of the General Manager

No report given.

9. Expressing appreciation and gratitude to Robert K. Werbe for his leadership and fellowship as Vice President of the Public Utilities Commission.

Moved by President Caen, seconded by Commissioner Makras, to adopt Item 9; passed (4-0) unanimously.

Resolution No. 99-0032: Expressing appreciation and gratitude to Robert K. Werbe for his leadership and fellowship as Vice President of the Public Utilities Commission.

10. Public Hearing to consider adopting budget proposals for the enterprises and bureaus under the jurisdiction of the Public Utilities Commission for Fiscal Year 1999-2000 Operating Budgets and Capital Programs.

Anson Moran, General Manager, gave a summary of the budget proposals for fiscal year 1999-2000. President Caen asked for public comment; there were none. President Caen requested that Mr. Moran provide the Commission with a written interpretation of how unappropriated funds are allocated, include that as a footnote in the budget and forward it to the Mayor so that anyone looking at the budget would know why we have those funds and how we will be using them in the future.

- a) Adopting the proposed operating budgets for PUC enterprises and bureaus for the Fiscal Year 1999-2000.

Moved by Commissioner Normandy, seconded by Commissioner Makras to adopt Item 10a; passed (4-0) unanimously.

Resolution No. 99-0033: Adopting the proposed operating budgets for PUC enterprises and bureaus for the Fiscal Year 1999-2000.

- b) Adopting the proposed PUC Capital Improvement Program for Hetch Hetchy Water and Power, Water and Clean Water Enterprises for Fiscal Year 1999-2000.

Moved by Commissioner Cook, seconded by Commissioner Normandy to adopt Item 10b; passed (4-0) unanimously.

Resolution No. 99-0034: Adopting the proposed PUC Capital Improvement Program for Hetch Hetchy Water and Power, Water and Clean Water Enterprises for Fiscal Year 1999-2000.

11. Authorizing the General Manager of Public Utilities to request the Controller to reallocate funds from various projects to meet the funding needs identified for the Water Enterprise.

Moved by Commissioner Normandy, seconded by Commissioner Makras to adopt Item 11; passed (4-0) unanimously.

In response to Commissioner Normandy's request for further clarification of sourcing of various projects, Mr. Moran stated that all available funds are allocated to projects that are ready to proceed and will result in finished and capitalized projects at the earliest possible date which also has the affect of consuming available capital funds and removing from the accounts any balances that have become fallow. The result will be to convert cash into capital assets quickly and minimizes the request for additional cash either in the capital budget or through the bond program so that the most efficient use possible of the funds is made available to the Commission.

Resolution No. 99-0035: Authorizing the General Manager of Public Utilities to request the Controller to reallocate funds from various projects to meet the funding needs identified for the Water Enterprise.

12. Establishing an objective for water supply reliability for San Francisco and directing staff to consider various water resource alternatives to meet the objective.

Mary Williams, Project Manager, gave a presentation on the San Francisco Integrated Water Resource Plan.

Moved by Commissioner Makras, seconded by Commissioner Normandy to adopt Item 12; passed (4-0) unanimously.

Resolution No. 99-0036: Establishing an objective for water supply reliability for San Francisco and directing staff to consider various water resource alternatives to meet the objective.

13. Authorizing the General Manager of Public Utilities to submit to the Mayor and the Board of Supervisors a supplemental appropriation request for \$1.7 million to fund the establishment and implementation of the Public Utilities Commission Year 2000 (Y2K) Embedded System Compliance Program.

Carolyn Olsen, Assistant General Manager, Operations, gave a brief presentation on the Y2K supplemental appropriation tracking, inventory summary and project cost estimates. She noted that there are close to 4,000 items that are being assessed for Y2K embedded chip compliance and stated that a list of embedded system problems requiring remediation and associated costs will be provided to the Commission in mid-April for approval prior to beginning the actual remediation work. Cherie Houseman of Logix Solutions and the City-wide Y2K Program Manager, was introduced and provided background information on Logix Solutions. She stated that the company was contracted by the City not only to program manage the effort but also to provide control system engineers to perform cursory audits on the most critical systems. She stated that results of interviews conducted with City departments found that embedded systems are severely lacking in terms of consistent approach and tactics. Defined to be mission critical are systems that affect transportation, public health, safety and water delivery. The liaison assigned to interface with the Public Utilities Commission will start on March 11, 1999.

Commissioner Makras stated that he had expressed his concerns on the item at the January 26, 1999 meeting. In addition, he that he believed the program was too rich and other departments are doing it less expensively. He said that we are using the Y2K program upgrade as a vehicle around our capital projects and normal procedure which includes awarding contracts beyond the scope and magnitude appropriate for the Commission. He is still awaiting documentation previously requested and watching how the money is spent. There is a process and we have stepped aside from the process. The process has been compromised. He expressed concern over the MBE/WBE participation and whether funds were used through those contracts appropriately. President Caen pointed out that the Association of Metropolitan Sewerage Agencies published that most agencies reported the cost to fix Y2K problems to be between zero and 2% of annual operating costs. President Caen stated that our costs fall within that range.

Commissioner Normandy requested staff's assurance that identification of specific problems, associated costs and time frames are provided to the Commission in Mid-April.

Moved by Commissioner Normandy, seconded by Commissioner Cook to adopt Item 13; passed (3-1) President Caen, Commissioner Cook and Commissioner Normandy voted yes, Commissioner Makras voted no.

Resolution No. 99-0037: Authorizing the General Manager of Public Utilities to submit to the Mayor and the Board of Supervisors a supplemental appropriation request for \$1.7 million to

fund the establishment and implementation of the
Public Utilities Commission Year 2000 (Y2K)
Embedded System Compliance Program.

LEASES AND PERMITS

14. Discussion on whether to declare certain City owned parcels under the jurisdiction of the PUC located on and between Tucker Avenue and Leland Avenue in Visitation Valley (also known as Reis Tract) surplus to the present and future needs of the Water Department; and whether to authorize the General Manager of Public Utilities to request the Director of Property to sell certain parcels at public auction and transfer others to the Recreation and Park Department for their continued use as a public park at historical cost.

On recommendation by President Caen, Commissioner Normandy moved, seconded by Commissioner Cook to continue Item 14 to the call of the chair; passed (3-0) unanimously.

15. Declaring Lot 001, Block 1334, 125 El Camino Del Mar, San Francisco (aka the "Billman Property") surplus property and authorizing the General Manager of Public Utilities to request the Director of Property to determine the fair market value of the property, advertise it for sale, hold a public auction, and prepare and submit legislation to the Board of Supervisors to accommodate the sale of the property. (Continued from the meeting of January 26, 1999).

On recommendation by President Caen, Commissioner Normandy moved, seconded by Commissioner Cook to continue Item 15 to the next regular meeting; passed (3-0) unanimously.

16. Authorizing the General Manager of Public Utilities to execute a lease with Cisco Systems, Inc. for approximately 2.52 acres of PUC land located on Parcels 120 and 121 of Bay Division Pipeline Nos. 3 and 4 right of way in Milpitas, California for a parking lot, utilities, landscaping purposes, and ingress and egress to and from adjacent buildings and driveways at an annual rental rate of \$129,120.00.

Moved by Commissioner Makras, seconded by Commissioner Normandy to adopt Item 16; passed (4-0) unanimously.

Resolution No. 99-0038: Authorizing the General Manager of Public Utilities to execute a lease with Cisco Systems, Inc. for approximately 2.52 acres of PUC land located on Parcels 120 and 121 of Bay Division Pipeline Nos. 3 and 4 right of way in Milpitas, California for a parking lot, utilities, landscaping purposes, and ingress and egress to and from adjacent buildings and driveways at an annual rental rate of \$129,120.00.

17. Authorizing the General Manager of Public Utilities to execute a revocable permit with The San Francisco School for use of Islais Creek Lots portion of Parcel 39 for playground, with basketball court, sports field and garden area at an annual use fee of \$4,525.32.

Commissioner Makras expressed concern that the permit is not in compliance with existing rental formula established by the Commission and instructed staff to renegotiate the permit so that it does comply with existing policy and if this is not possible to come back to the Commission and explain why this permit should be an exception. Commissioner Normandy stated that the exception should not be seen as establishing a precedent.

Moved by Commissioner Makras, seconded by Commissioner Normandy to continue Item 17 to the call of the chair; passed (4-0) unanimously.

CONSTRUCTION CONTRACTS

Advertise

18. Approving the final plans and specifications for Water Department Contract No. WD-2290, "Sunol Water Temple Phase 1 Building Restoration"; authorizing advertisement for bids; authorizing the General Manager of Public Utilities to award the contract to the lowest responsive and responsible bidder; and approving the additional funding for Phase 1 in the amount of \$131,550 to be transferred from BDPL #1 and #2 Seismic Analysis Project.

Lena Ch'en, Project Manager, gave a presentation on the project description, scope of work, phases and schedule. In response to concerns raised by the Commission, she presented information on funding and cost; seismic upgrade

and documentation of the project. Mr. Charlie Duncan, Preservation Architect with Carey and Company, addressed the Commission's concerns regarding end product stating that the temple would be restored to its 1910 appearance, placing the project on the National Registry of Historic Places and presented additional accessibility options for consideration that would provide access to the top of the podium and concurs with the Secretary of Interior's guidelines for maintaining a cultural resource.

Commissioner Normandy requested staff prepare a report on the benefits and disadvantages of landmark status for the Sunol Temple.

Note: Commissioner Cook was excused at 4:35 p.m. and returned at 4:40 p.m.

Commissioner Makras moved to amend the resolution to include a platform lift as the accessibility choice in Phase I; seconded by Commissioner Normandy. Commissioner Makras also recommended that the resolution be amended to incorporate wording that we are amply protected by Alameda County's registration and will not pursue inclusion in the National Registry. Mr. Moran advised the Commission that he had just been informed that the Mayor's Disability Advisory Council is not in favor of a mechanical device. They are in favor of a ramp and in order to resolve this issue staff will need time and may need to put the access issue into Phase II or delay Phase I. Commissioner Normandy withdrew his second to include an inclined platform lift in Phase I of the project in order to allow staff time to resolve the accessibility issue with the Mayor's Disability Advisory Council.

Patricia Stillman, President of Save Our Sunol, spoke in favor of the project and urged the Commission to accept staff recommendation of a platform lift.

Diane Tiessen spoke in support of the project and read a statement from Dr. Gray Brechin supporting the project and staff recommendation of an inclined stair lift.

Emeric Kalman spoke in support of the project but questioned the legality of using water bond money to finance the project. Mr. Moran responded that the funds identified for transfer are a combination of bond and revenue funds and have been reviewed and deemed legal.

After further discussion Commissioner Makras amended the motion to include in Phase I funding for an inclined platform lift and remain silent on the issue of listing the project in the National Registry.

Moved by Commissioner Makras, seconded by Commissioner Normandy to adopt Item 18 as amended; passed (4-0) unanimously.

Resolution No. 99-0039: Approving the final plans and specifications for Water Department Contract No. WD-2290, "Sunol Water Temple Phase 1 Building Restoration"; authorizing advertisement for bids; authorizing the General Manager of Public Utilities to award the contract to the lowest responsive and responsible bidder; and approving the additional funding for Phase 1 in the amount of \$131,550 to be transferred from BDPL #1 and #2 Seismic Analysis for Additive Alternate #1 for Phase I to implement access to the podium level via an inclined platform lift.

On recommendation by Anson Moran, President Caen moved, seconded by Commissioner Normandy to continue Items 19, 20 and 21 to the call of the chair; passed (3-0) unanimously.

19. Approving the final plans and specifications for Water Department Contract No. WD-2214, "8-Inch Ductile Iron Main Installation in Broadway between Scott Street and Van Ness Avenue"; and authorizing advertisement for bids.
20. Approving the final plans and specifications for Water Department Contract No. WD-2240, "8-Inch Ductile Iron Main Installation and Sewer Replacement in Golden Gate Avenue between Van Ness Avenue and Divisadero Street"; and authorizing advertisement for bids.
21. Approving the final plans and specifications for Water Department Contract No. WD-2257, "8-Inch Ductile Iron Main Installation in Waller Street between Stanyan Street and Central Avenue"; and authorizing advertisement for bids.

Award

22. Awarding Clean Water Program Contract No. CW-175, "Broad Street Sewer Replacement", in the amount of \$88,464 to Insituform West, Inc. as the lowest responsive and responsible bidder.

Moved by Commissioner Makras, seconded by Commissioner Cook to adopt Item 22; passed (4-0) unanimously.

Resolution No. 99-0040: Awarding Clean Water Program Contract No. CW-175, "Broad Street Sewer Replacement", in the amount of \$88,464 to Insituform West, Inc. as the lowest responsive and responsible bidder.

Close

23. Accepting the work performed for Utilities Engineering Contract Specification No. CW-109, "Shotwell/Moultrie/26th Streets Sewer Replacement"; approving contract Modification in the credit amount of \$5,350.00; and approving final payment in the amount of \$10,725 to the contractor, Ranger Pipeline/A. Answer Joint Venture.

Moved by Commissioner Makras, seconded by Commissioner Normandy to adopt Item 23; passed (4-0) unanimously.

Resolution No. 99-0041: Accepting the work performed for Utilities Engineering Contract Specification No. CW-109, "Shotwell/Moultrie/26th Streets Sewer Replacement"; approving contract Modification in the credit amount of \$5,350.00; and approving final payment in the amount of \$10,725 to the contractor, Ranger Pipeline/A. Answer Joint Venture.

24. Rejecting bids submitted for Contract No. CW-107R, "Bush/Kearny/Post/Sutter Streets Sewer Replacement"; and canceling the contract.

Moved by Commissioner Cook, seconded by Commissioner Normandy to adopt Item 24; passed (4-0) unanimously.

Resolution No. 99-0042: Rejecting bids submitted for Contract No. CW-107R, "Bush/Kearny/Post/Sutter Streets Sewer Replacement"; and canceling the contract.

PROFESSIONAL SERVICE CONTRACTS

Award

25. Authorizing the Manager of the Bureau of Environmental Regulation and Management to negotiate and execute agreements with Baseline Environmental, Camp Dresser and McKee, Inc.; Brown and Caldwell/GKO, Joint Venture; Tetra Tech; and Olivia Chen Consultants to provide as needed environmental consulting services for a period not to exceed two years and total spending authority not to exceed \$3,000,000.

Moved by Commissioner Makras, seconded by Commissioner Cook to adopt Item 25; passed (4-0) unanimously.

Resolution No. 99-0043: Authorizing the Manager of the Bureau of Environmental Regulation and Management to negotiate and execute agreements with Baseline Environmental, Camp Dresser and McKee, Inc.; Brown and Caldwell/GKO, Joint Venture; Tetra Tech; and Olivia Chen Consultants to provide as needed environmental consulting services for a period not to exceed two years and total spending authority not to exceed \$3,000,000.

Amend

26. Approving the increase in the contract amount with Public Affairs Management Inc. for watershed planning, public affairs and other activities by \$60,000; and approving the increase in the contract amount with O'Rourke Public Relations for wastewater/environmental public education, public affairs and other activities by \$45,000.

Moved by Commissioner Normandy, seconded by Commissioner Cook to adopt Item 26; passed (4-0) unanimously.

Resolution No. 99-0044: Approving the increase in the contract amount with Public Affairs Management Inc. for watershed planning, public affairs and other activities by \$60,000; and approving the increase in the contract amount with O'Rourke Public Relations for wastewater/ environmental public education, public affairs and other activities by \$45,000.

Thereupon, the meeting was adjourned: 5:20 P.M.

Romaine A. Boldridge
Secretary

AGENDA

PUBLIC UTILITIES COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

SPECIAL MEETING

*March 2, 1999
10:30 A.M.
City Hall, Room 408
1 Dr. Carlton B. Goodlett Place*

COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Robert K. Werbe
Victor G. Makras

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DEPARTMENTS

Water Department
 City Distribution Division
 Water Supply & Treatment
Hetch Hetchy Water & Power
Clean Water Program
 Water Pollution Control

BUREAUS

Commercial Land Management
Customer Service
Environmental Regulation and Management
Finance
Management Information Systems
Personnel and Training
System Planning and Regulatory Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

Disability Access

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Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils, and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at (415) 554-4851.

San Francisco Lobbyist Ordinance

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ORDER OF BUSINESS

1. Call to Order

2. Roll Call

THE FOLLOWING MATTERS BEFORE THE PUBLIC UTILITIES COMMISSION ARE RECOMMENDED FOR ACTION AS STATED, BY THE GENERAL MANAGER OF PUBLIC UTILITIES, AND CITY ATTORNEY WHERE APPLICABLE.

CLOSED SESSION

3. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Anticipated Litigation: As Plaintiff and as Defendant

Property: 500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County.

Parties Negotiating: Nelson/Lymburn/Thompson/Malamut

City of Pleasanton

Under Negotiations: Terms and Conditions

4. Public Comments on matters to be discussed in Closed Session.

5. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

THE PUBLIC UTILITIES COMMISSION WILL GO INTO CLOSED SESSION TO DISCUSS ABOVE LISTED CLOSED SESSION MATTERS.

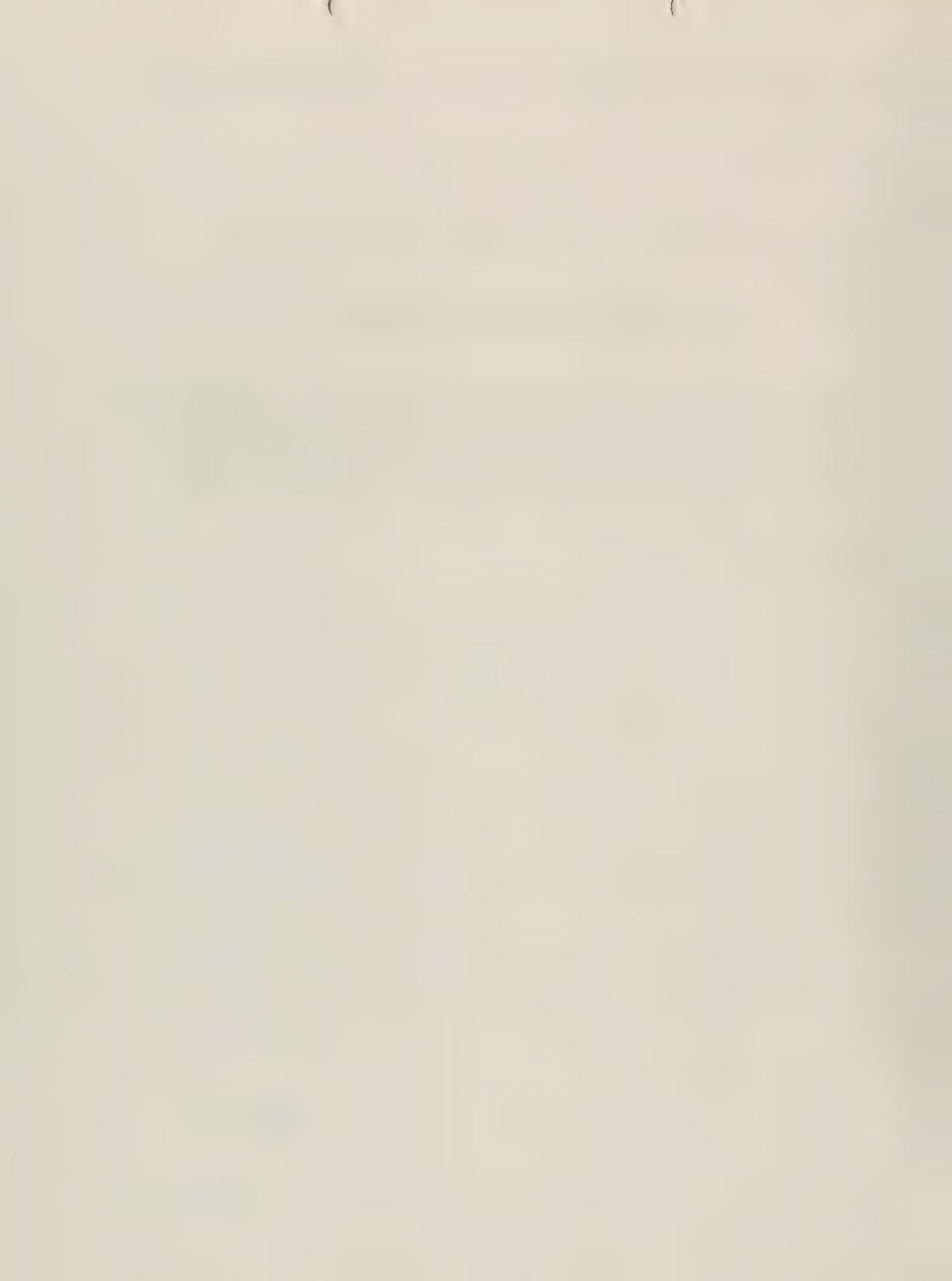
FOLLOWING THE CLOSED SESSION, THE PUBLIC UTILITIES COMMISSION WILL RECONVENE IN PUBLIC SESSION.

6. Announcement following Closed Session.
7. Motion regarding whether to disclose the discussions during Closed Session.

SPECIAL ORDER OF BUSINESS

8. Adopting findings pursuant to the California Environmental Quality Act; declaring Parcels 16 and 16A of the Bernal Property to be surplus; and authorizing the General Manager to execute a purchase and sale agreement, subject to the approval of the City's Board of Supervisors and Mayor, to sell Parcels 16 and 16A to the Pleasanton Unified School District. (Nelson)

ADJOURNMENT



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MINUTES

PUBLIC UTILITIES COMMISSION CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

SPECIAL MEETING

March 2, 1999
10:30 A.M.
City Hall, Room 408
1 Dr. Carlton B. Goodlett Place

COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Robert K. Werbe
Victor G. Makras

DEPARTMENTS

Water Department
 City Distribution Division
 Water Supply & Treatment
Hetch Hetchy
Clean Water Program
 Water Pollution Control

BUREAUS

Commercial Land Management
Customer Service
Environmental Regulation and Management
Finance
Management Information Systems
Personnel and Training
System Planning and Regulatory Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

1. Call to Order: 10:30 A.M.
2. Roll Call: Present - President Ann Moller Caen, Vice President Frank L. Cook, Commissioner E. Dennis Normandy, Commissioner Victor G. Makras

Commissioner Robert K. Werbe was excused.

CLOSED SESSION

President Caen announced that the Commission will not consider the Closed Session Agenda (Items 3 through 7).

SPECIAL ORDER OF BUSINESS

8. Sale of Parcels 16 and 16A of the Bernal Property to the Pleasanton Unified School District.

Commissioner Makras noted that the Public Utilities Commission fully cooperated with the City Council of Pleasanton toward the positive completion of the project. He stated that he would like to impart to the citizens of Pleasanton that PUC supported the project as good neighbors to the community of Pleasanton. The Commission commended the diligent efforts of the Bernal Avenue Project Team.

Moved by Commissioner Makras, seconded by Commissioner Normandy, to adopt Item 8; passed (4-0) unanimously.

Resolution No. 99-0045: Declaring Parcels 16 and 16A of the Bernal Property to be surplus; and authorizing the General Manager to execute a purchase and sale agreement, subject to the approval of the City's Board of Supervisors and Mayor, to sell Parcels 16 and 16A to the Pleasanton Unified School District.

Thereupon, the meeting was adjourned: 10:40 A.M.

Romaine A. Boldridge
Secretary

AGENDA

PUBLIC UTILITIES COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

**Willie L. Brown, Jr.
MAYOR**

REGULAR MEETING

March 9, 1999
1:30 P.M.
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Robert K. Werbe
Victor G. Makras

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DEPARTMENTS

Water Department
 City Distribution Division
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Hetch Hetchy Water & Power
Clean Water Program
 Water Pollution Control

BUREAUS

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Finance
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Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

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ORDER OF BUSINESS

1. Call to Order
2. Roll Call
3. Approval of Minutes
4. Communications
5. Introduction of Old/Ongoing Business by Commissioners
6. Introduction of New Business by Commissioners
7. Report of the General Manager
8. Public Comments

Members of the public may address the Commission on matters that are within the Commission's jurisdiction and are not on today's agenda.

THE FOLLOWING MATTERS BEFORE THE PUBLIC UTILITIES COMMISSION ARE RECOMMENDED FOR ACTION AS STATED, BY THE GENERAL MANAGER OF PUBLIC UTILITIES, AND CITY ATTORNEY WHERE APPLICABLE.

REGULAR BUSINESS

9. Presentation on the Sunol Valley Water Treatment Plant Improvement Project. 10 mins. (Mallett)

10. Authorizing the General Manager of Hetch Hetchy Water and Power to provide up to \$65,000 of energy efficiency, technical design consultations, load monitoring, and other analytical and technical demand side management services to San Francisco Dry Dock. (Klein)

LEASES AND PERMITS

11. Declaring Lot 001, Block 1334, 125 El Camino Del Mar, San Francisco (aka the "Billman Property") surplus property and authorizing the General Manager of Public Utilities to request the Director of Property to determine the fair market value of the property, advertise it for sale, hold a public auction, and prepare and submit legislation to the Board of Supervisors to accommodate the sale of the property. (Continued from the meeting of February 23, 1999.) (Dowd)

CONSTRUCTION CONTRACTS

Award

12. Awarding Clean Water Program Contract No. CW-198, "Southeast Water Pollution Control Plant 250 MGD Cleanup - Phase 1", in the amount of \$3,268,410 to Schram Construction Inc. (Quan)

Close

13. Accepting work performed for Clean Water Program Contract No. 1210N, "Fulton Street Sewer Replacement", as completed; approving contract modification No. 1 in the credit amount of \$17,250; and approving final payment of \$38,622 to the contractor, K. J. Woods Construction, Inc. (Quan)

CONSTRUCTION CONTRACTS (Continued)

14. Accepting work performed for Clean Water Program Contract No. CW-114, "Church/Folsom/Harper Streets Sewer Replacement", as completed; approving contract modification No. 1 in the credit amount of \$5,987; and approving final payment of \$14,951 to the contractor, Ranger Pipelines Inc./A. Answer, Joint Venture. (Quan)

PROFESSIONAL SERVICE CONTRACTS

Advertise

15. Authorizing the General Manager of Public Utilities to issue a Request for Proposals to create a pool of three qualified consultants to provide as-needed energy engineering services in support of continuing Hetch Hetchy/Bureau of Energy Conservation, with a total spending authority of \$920,000 over four years. (Klein)

CLOSED SESSION

16. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Anticipated Litigation: As Plaintiff and as Defendant

Property: 500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County.

Parties Negotiating: Nelson/Lymburn/Thompson/Malamut
City of Pleasanton

Under Negotiations: Terms and Conditions

17. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property: Portions of Parcel 65 in Sunol, Alameda County

Parties Negotiating: CCSF - Dowd/Milstein

Lessee: Mission Valley Rock/RMC Lonestar

Under Negotiation: Price and Terms

CLOSED SESSION (Continued)

18. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c):
(Milstein)

Anticipated Litigation: As Defendant
Regarding Alameda Creek Fishery Issues

19. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):
(Clayton)

Existing Litigation: Fireman's Fund Insurance Co. V. CCSF
Municipal court 151-430
Clarendon National Insurance Co. V. CCSF
Municipal Court 158-198

20. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):
(Milstein)

Existing Litigation: FY 95-96 Arbitration with Bay Area Water Users Association

21. Public Comments on matters to be discussed in Closed Session.

22. Motion on whether to assert the attorney-client privilege regarding the matters listed above
as Conference with Legal Counsel.

THE PUBLIC UTILITIES COMMISSION WILL GO INTO CLOSED SESSION TO
DISCUSS ABOVE LISTED CLOSED SESSION MATTERS.

FOLLOWING THE CLOSED SESSION, THE PUBLIC UTILITIES COMMISSION WILL
RECONVENE IN PUBLIC SESSION.

23. Announcement following Closed Session.

24. Motion regarding whether to disclose the discussions during Closed Session.

ADJOURNMENT

MINUTES

PUBLIC UTILITIES COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

REGULAR MEETING

March 9, 1999
1:30 P.M.
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

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APR 12 1999

COMMISSIONERS

SAN FRANCISCO
PUBLIC LIBRARY

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Robert K. Werbe
Victor G. Makras

DEPARTMENTS

Water Department
 City Distribution Division
 Water Supply & Treatment
Hetch Hetchy
Clean Water Program
 Water Pollution Control

BUREAUS

Commercial Land Management
Customer Service
Environmental Regulation and Management
Finance
Management Information Systems
Personnel and Training
System Planning and Regulatory Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

1. Call to Order: 1:38 P.M.
2. Roll Call:
Present - Vice President Frank L. Cook, Commissioner E. Dennis Normandy, Commissioner Victor G. Makras

Excused - President Ann Moller Caen, Commissioner Robert K. Werbe

Vice President Cook presided.

3. Approval of Minutes

Moved by Commissioner Normandy, seconded by Commissioner Makras, to approve the Minutes of the Regular Meeting of February 17 and February 22, 1999; passed (3-0) unanimously.

4. Communications

No action was taken.

5. Introduction of Old/Ongoing Business by Commissioners

Commissioner Makras asked that staff include the following items in the List of Old/Ongoing Business: 1) request information regarding MBE/WBE firms that worked on the Y2K project prior to Commission's approval of the \$1.7 million supplemental appropriation; and 2) request additional information concerning electric connection service for a new retail electric customer of Hetch Hetchy Water & Power.

Commissioner Makras asked who was in charge of the Y2K Program. Anson B. Moran, General Manager of Public Utilities, stated that the responsible Senior Manager is Carolyn Olsen and the staff responsible for the project is Fonda Davidis. Ms. Olsen stated that a consultant who reports to the Controller's Office and the Department of Telecommunications and Information Services (DTIS), leads the Citywide Y2K Project. Commissioner Makras requested that Mr. Moran write a letter to the Controller, Ed Harrington, to ask other City departments about their Y2K programs and corresponding budget for the project. He expressed concerns about possible overlapping of expenses if the Controller's Office is already dealing with the issue as a whole. Commissioner Makras stated that he also sought the private sector to send information to him on how their organizations are dealing with the Y2K issue.

Commissioner Makras noted that he sent a memo to staff suggesting that the Request for Proposal (RFP) for Program Management Services include opportunities for progressive advancement of employees of the PUC and other departments. Mr. Moran responded that it would be incorporated in the RFP.

6. Introduction of New Business by Commissioners

There was no new business introduced by Commissioners.

7. Report of the General Manager

Mr. Moran noted that President Caen requested continuance of Items 10 and 15.

8. Public comments on matters that were not on today's agenda.

There were none.

REGULAR

9. Presentation on the Sunol Valley Water Treatment Plant Improvement Project.

Patty Mallett, Project Manager, gave a report on the progress of the Sunol Valley Water Treatment Plant Improvement Project concerning capacity issues. Ms. Mallett reported that a capacity analysis was developed assuming that the department was planning for the long term to the year 2030. The capacity analysis projected a long term need for 440 million gallons per day (mgd) to provide redundancy and reliability for the SFPUC system. She said staff's recommendation was to construct that capacity in modules, building them as we need them. Staff is planning for a near term demand of 320 mgd.

No action was taken by the Commission.

10. Authorizing the General Manager of Hetch Hetchy Water and Power to provide up to \$65,000 of energy efficiency, technical design consultations, load monitoring, and other analytical and technical demand side management services to San Francisco Dry Dock.

Item 10 was continued to the next regularly scheduled PUC meeting on March 23, 1999.

LEASES AND PERMITS

11. Declaring Lot 001, Block 1334, 125 El Camino Del Mar, San Francisco (aka the "Billman Property") surplus property. (Continued from the meeting of February 23, 1999.)

Ron Miguel, President of the Planning Association for the Richmond, requested the Commission to delay action for 120 days due to the possible consideration by the GGNRA that they may include the property within the Golden Gate National Recreation Area.

Commissioner Makras stated that the Commission had previously given the community 30 days to present the Commission with information whether there were any agreements or commitments made by the City to retain this property as open space. Mr. Dowd stated that staff had not receive any information about this issue. Commissioner Makras suggested that staff defer the actual sale of the property for 120 days from today to give the community ample time to be a participant in the sale.

Moved by Commissioner Makras, seconded by Commissioner Normandy, to adopt Item 11; passed (3-0) unanimously.

Resolution No. 99-0046: Declaring Lot 001, Block 1334, 125 El Camino Del Mar, San Francisco (aka the "Billman Property") surplus property and authorizing the General Manager of Public Utilities to request the Director of Property to determine the fair market value of the property, advertise it for sale, hold a public auction, and prepare and submit legislation to the Board of Supervisors to accommodate the sale of the property.

CONSTRUCTION CONTRACTS

Award

12. Awarding Clean Water Program Contract No. CW-198 to Schram Construction Inc.

Moved by Commissioner Makras, seconded by Commissioner Normandy, to adopt Item 12; passed (3-0) unanimously.

Resolution No. 99-0047: Awarding Clean Water Program Contract No. CW-198, "Southeast Water Pollution Control Plant 250 MGD Cleanup - Phase 1", in the amount of \$3,268,410 to Schram Construction Inc.

Close

13. Accepting work performed for Clean Water Program Contract No. 1210N.

Moved by Commissioner Normandy, seconded by Commissioner Makras, to adopt Item 13; passed (3-0) unanimously.

Resolution No. 99-0048: Accepting work performed for Clean Water Program Contract No. 1210N, "Fulton Street Sewer Replacement", as completed; approving contract modification No. 1 in the credit amount of \$17,250; and approving final payment of \$38,622 to the contractor, K. J. Woods Construction, Inc.

14. Accepting work performed for Clean Water Program Contract No. CW-114.

Moved by Commissioner Makras, seconded by Commissioner Normandy, to adopt Item 14; passed (3-0) unanimously.

Resolution No. 99-0049: Accepting work performed for Clean Water Program Contract No. CW-114, "Church/Folsom/Harper Streets Sewer Replacement", as completed; approving contract modification No. 1 in the credit amount of \$5,987; and approving final payment of \$14,951 to the contractor, Ranger Pipelines Inc./A. Answer, Joint Venture.

PROFESSIONAL SERVICE CONTRACTS

Advertise

15. Authorizing the General Manager of Public Utilities to issue a Request for Proposals to create a pool of three qualified consultants to provide as-needed energy engineering services in support of continuing Hetch Hetchy/Bureau of Energy Conservation, with a total spending authority of \$920,000 over four years.

Item 15 was continued to the next regularly scheduled PUC meeting on March 23, 1999.

CLOSED SESSION

16. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Anticipated Litigation: As Plaintiff and as Defendant
Property: 500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County.
Parties Negotiating: Nelson/Lymburn/Thompson/Malamut
City of Pleasanton
Under Negotiations: Terms and Conditions

No action was taken.

17. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property: Portions of Parcel 65 in Sunol, Alameda County
Parties Negotiating: CCSF - Dowd/Milstein
Lessee: Mission Valley Rock/RMC Lonestar
Under Negotiation: Price and Terms

No action was taken.

18. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c):

Anticipated Litigation: As Defendant
Regarding Alameda Creek Fishery Issues

No action was taken.

19. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):

Existing Litigation: Fireman's Fund Insurance Co. V. CCSF
Municipal Court 151-430
Clarendon National Insurance Co. V. CCSF
Municipal Court 158-198

No action was taken.

20. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):

Existing Litigation: FY 95-96 Arbitration with Bay Area Water Users Association

Moved by Commissioner Makras, seconded by Commissioner Normandy to adopt the following resolution for Item 20; passed (3-0) unanimously.

Resolution No. 99-0050: Authorizing the General Manager of Public Utilities to enter into an agreement extending BAWUA's time to respond to the City's demand for arbitration to June 30, 1999.

21. Public Comments on matters to be discussed in Closed Session.

There were none.

22. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

Moved by Commissioner Normandy, seconded by Commissioner Makras, to assert the attorney-client privilege; passed (3-0) unanimously.

The Public Utilities Commission met in Closed Session from 2:15 P.M. to 3:15 P.M. to discuss the above listed Closed Session items.

At 3:17 P.M., the Commission reconvened in an open session.

23. Announcement following Closed Session.

Romaine A. Boldridge, Commission Secretary, announced the actions taken during the Closed Session.

24. Motion regarding whether to disclose the discussions during Closed Session.

Moved by Commissioner Normandy, seconded by Commissioner Makras, not to disclose the discussion during the Closed Session; passed (3-0) unanimously.

Thereupon, the meeting was adjourned: 3:20 P.M.

Romaine A. Boldridge
Secretary

AGENDA

PUBLIC UTILITIES COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

23/99

Willie L. Brown, Jr.
MAYOR

DOCUMENTS DEPT.

REGULAR MEETING

MAR 18 1999

**SAN FRANCISCO
PUBLIC LIBRARY**

**March 23, 1999
1:30 P.M.
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place**

COMMISSIONERS

**Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras
Ben L. Hom**

DEPARTMENTS

**Water Department
 City Distribution Division
 Water Supply & Treatment
Hetch Hetchy Water & Power
Clean Water Program
 Water Pollution Control**

BUREAUS

**Commercial Land Management
Customer Service
Environmental Regulation and Management
Finance
Management Information Systems
Personnel and Training
System Planning and Regulatory Compliance
Utilities Engineering Bureau
Water Quality**

**Anson B. Moran
GENERAL MANAGER**

**Romaine A. Boldridge
SECRETARY**

Disability Access

The Public Utilities Commission meeting will be held in Room 400, City Hall, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA. The Commission meeting room is wheelchair accessible. The closest accessible BART station is the Civic Center Station at United Nations Plaza and Market Street. Accessible MUNI lines serving this location are: #42 Downtown Loop, and #71 Haight/Noriega and the F Line to Market and Van Ness and the Metro Stations at Van Ness and Market and at Civic Center. For information about MUNI accessible services call (415) 923-6142. There is accessible curbside parking adjacent to City Hall on Grove Street and Van Ness Avenue and in the vicinity of the Veterans Building at 401 Van Ness Avenue adjacent to Davies Hall and the War Memorial Complex.

The following services are available on request 48 hours prior to the meeting; except for Monday meetings, for which the deadline shall be 4:00 p.m. of the last business day of the preceding week: For American sign language interpreters or the use of a reader during a meeting, a sound enhancement system, and/or alternative formats of the agenda and minutes, please contact Romaine Boldridge at (415) 554-3165 or our TDD at (415) 554-3488 to make arrangements for the accommodation. Late requests will be honored, if possible.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the City accommodate these individuals. Individuals with chemical sensitivity or related disabilities should call our accessibility hotline at (415) 554-6060.

Know your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code)

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils, and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at (415) 554-4851.

San Francisco Lobbyist Ordinance

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance [SF Admin Code §16.520-16.534] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 1390 Market Street #801, San Francisco, CA 94102, telephone (415) 554-9510, fax (415) 703-0121 and web site <http://www.ci.sf.ca.us/ethics/>.

ORDER OF BUSINESS

1. Call to Order
2. Roll Call
3. Approval of Minutes
4. Communications
5. Introduction of Old/Ongoing Business by Commissioners
6. Introduction of New Business by Commissioners
7. Report of the General Manager
8. Public Comments

Members of the public may address the Commission on matters that are within the Commission's jurisdiction and are not on today's agenda.

THE FOLLOWING MATTERS BEFORE THE PUBLIC UTILITIES COMMISSION ARE RECOMMENDED FOR ACTION AS STATED, BY THE GENERAL MANAGER OF PUBLIC UTILITIES, AND CITY ATTORNEY WHERE APPLICABLE.

REGULAR BUSINESS

9. Acknowledging the invaluable services contributed by Ethel Garlington to the Public Utilities Commission, the Clean Water Program and the Citizens of San Francisco as a member of the Clean Water Program's Citizens Advisory Committee on Wastewater Management. (Moran)
10. Authorizing the General Manager of Hetch Hetchy Water and Power to provide up to \$65,000 of energy efficiency, technical design consultations, load monitoring, and other analytical and technical demand side management services to San Francisco Dry Dock. (Continued from the meeting of March 9, 1999) (Klein)
11. Ratifying the Declaration of Emergency made by the President for Clean Water Program Contract No. CW-201E, Anza Street Emergency Sewer Replacement, and requesting the Board of Supervisors to approve the expenditure of funds in the amount of \$194,291.00 (Quan)
12. Setting the date, time and place for a public hearing to consider revisions in the rates to be charged for water service and water supplies by the Water Enterprise, rates charged for sewer service provided by the Clean Water Enterprise, and proposed adjustments in miscellaneous fees. (Laws)

LEASES AND PERMITS

13. Authorizing the General Manager of Public Utilities to execute a Letter Agreement with the City of Sunnyvale formalizing the existence of certain equipment over a Public Utilities Commission waterline easement in Santa Clara County. (Dowd)
14. Authorizing the General Manager of Public Utilities to execute a Permit to The San Francisco School (a non-profit organization) for use of approximately 2,620 square feet of land as a parking lot and 16,386 square feet of land for recreation, play ground and landscaping uses for an annual fee of \$4,716.00. (Dowd)

15. Authorizing the General Manager of Public Utilities to execute a Water Supply Line Relocation Agreement and Letter of Intent with the San Francisco Bay Area Rapid Transit District to accommodate the relocation of SFPUC's 0" Sunset Supply Line as required by the BART/SFO Airport Extension Project. (Dowd)
16. Authorizing the General Manager of Public Utilities to execute a Lease with Viacom Realty Corporation for approximately 3.94 acres of Public Utilities Commission land on BDPL Nos. 3 and 4, Parcel 142 in Santa Clara for a parking lot, ingress and egress and landscaping for an annual rental of \$86,400.00. (Dowd)
17. Approving a Lease with the Neighborhood House Association of San Diego, the interim Head Start childcare operator, to occupy approximately 3.450 square feet of building area plus an adjoining play area located in the Southeast Community Facility at an annual rental rate of \$36,108.00. (Dowd)

CONSTRUCTION CONTRACTS

Advertise

18. Approving final plans and specifications and authorizing bid call for San Francisco Water Department Contract No. WD-2294, Alameda Creek Diversion Dam - Erosion and Miscellaneous Repairs. (Quan)
19. Approving final plans and specifications and authorizing bid call for San Francisco Water Department Contract No. WD-2246, Replace Castlewood Pump Station. (Quan)
20. Approving final plans and specifications and authorizing bid call for Clean Water Program contract No. CW-192, Fiber-Optic Duct Bank Restoration. (Quan)

Award

21. Awarding Clean Water Program Contract No. CW-161, 5th Avenue/21st Avenue/California Street Swer Replacement, in the amount of \$328,000.00 to K. J. Woods Construction< Inc., as the lowest responsive and responsible bidder. (Quan)

Close

22. Accepting the work performed under Clean Water Program Contract No. CW-102 as satisfactorily completed, approving Contract Modification No. 1 (Final) in the credit amount of \$3,461.00 and authorizing final payment in the amount of \$5,979.00 to the Contractor, JMB Construction Co. (Quan)

PROFESSIONAL SERVICE CONTRACTS

Advertise

23. Authorizing the General Manager of Public Utilities to issue a Request for Proposals to create a pool of three qualified consultants to provide as-needed energy engineering services in support of continuing Hetch Hetchy/Bureau of Energy Conservation, with a total spending authority of \$920,000 over four years. (Continued from the meeting of March 9, 1999.) (Klein)

24. Authorizing the Water Pollution Control Division to advertise and solicit proposals for the installation, monitoring and repair of an alarm/intruder detection system. (Keaney)

Amend

25. Authorizing the General Manager of Public Utilities to amend the personal services contract with Bruce Lymburn to increase the contract amount by \$285,000, adjust the billing rates and extend the term of the contract to March 31, 2000. (Nelson)

CLOSED SESSION

26. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Anticipated Litigation:	As Plaintiff and as Defendant
Property:	500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County.
Parties Negotiating:	Nelson/Lymburn/Thompson/Malamut
Under Negotiations:	City of Pleasanton
	Terms and Conditions

27. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property: 525 Golden Gate Avenue, San Francisco
Parties Negotiating: CCSF - Dowd
State of California
Under Negotiation: Terms

28. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):
(Clayton)

Existing Litigation: IFPTE, Local 21 v. PUC, Superior Court No. 301722

29. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c):
(Sandler/Roddy)

Anticipated Litigation: As Defendant
Regarding the Regional Water Quality Control Board

30. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):
(Milstein)

Existing Litigation: FY 95-96 Arbitration with Bay Area Water Users Association

31. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):
(Clayton)

Existing Litigation: Fireman's Fund Insurance Co. V. CCSF
Municipal court 151-430
Clarendon National Insurance Co. V. CCSF
Municipal Court 158-198

32. Public Comments on matters to be discussed in Closed Session.

33. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

THE PUBLIC UTILITIES COMMISSION WILL GO INTO CLOSED SESSION TO DISCUSS ABOVE LISTED CLOSED SESSION MATTERS.

FOLLOWING THE CLOSED SESSION, THE PUBLIC UTILITIES COMMISSION WILL RECONVENE IN PUBLIC SESSION.

34. Announcement following Closed Session.

35. Motion regarding whether to disclose the discussions during Closed Session.

ADJOURNMENT

MINUTES

23/99
2
PUBLIC UTILITIES COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

REGULAR MEETING

March 23, 1999
1:30 P.M.
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

DOCUMENTS DEPT.

COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras
Ben L. Hom

JUN 24 1999

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System Planning and Regulatory Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

1. Call to Order: 1:40 P.M.
2. Roll Call: Present - President Ann Moller Caen, Vice President Frank L. Cook, Commissioner E. Dennis Normandy, Commissioner Victor G. Makras, Commissioner Ben L. Hom

President Caen welcomed the newly appointed member of the Commission, Ben L. Hom.

3. Approval of Minutes

President Caen requested that the minutes of February 23, 1999 reflect her request under Item 10 to also include the written interpretation of how unappropriated funds are allocated as a footnote in the budget and forward it to the Mayor so that anyone looking at the budget would know why we have those funds and how we will be using them in the future.

Moved by Commissioner Makras, seconded by Commissioner Normandy, to approve the Minutes of the Regular Meeting of February 23 as corrected, Special Meeting of March 2, 1999 and Regular Meeting of March 9, 1999; passed (5-0) unanimously.

4. Communications

No action was taken.

5. Introduction of Old/Ongoing Business by Commissioners

Commissioner Normandy requested that: 1) the Commission President's signature be eliminated from the new employee identification badges due to the fact that the presidency changes annually; 2) staff perform a Y2K test of the system by the end of September; and 3) that staff respond to the many requests received to hunt for feral pigs.

Commissioner Makras requested that staff prepare an agenda item to discuss the use of pass through contracts where funds in excess of \$50,000 are spent without Commission approval.

6. Introduction of New Business by Commissioners

There was no new business introduced by Commissioners.

7. Report of the General Manager

Mr. Moran announced that there will be a Sunol Community meeting on Sunday, March 28, 1999 from 10:00 a.m to 5:00 p.m.

8. Public comments on matters that were not on today's agenda.

There were none.

REGULAR

9. Acknowledging the invaluable services contributed by Ethel Garlington.

Dennis Antenore, Member of the Citizens Advisory Committee on Wastewater Management, thanked the Commission for acknowledging the many contributions made by Mrs. Garlington to the City and County of San Francisco during her 26 years of service as a member of the Citizens Advisory Committee on Wastewater Management.

Moved by President Caen, seconded by Commissioner Normandy to adopt Item 9; passed (5-0) unanimously.

Resolution No. 99-0051: Acknowledging the invaluable services contributed by Ethel Garlington to the Public Utilities Commission, the Clean Water Program and the Citizens of San Francisco as a member of the Clean Water Program's Citizens Advisory Committee on Wastewater Management.

10. Authorizing Hetch Hetchy Water and Power to provide energy efficiency, technical design consultations, load monitoring, and other analytical and technical demand side management services to San Francisco Dry Dock.

Moved by Commissioner Normandy, seconded by Commission Cook to adopt Item 10. Commissioner Makras stated he was opposed to the item because it would approve an expenditure of funds to benefit one individual customer. He recommended continuing the item to the call of the chair to allow the Commission time to adopt a policy that is equal and just to all large customers. Commissioner Normandy withdrew his motion to adopt Item 10, Commissioner Cook withdrew his second. Moved by Commissioner Normandy, seconded by Commissioner Cook to continue Item 10 to the call of the chair; passed (5-0) unanimously.

11. Ratifying the Declaration of Emergency made by the President for Clean Water Program Contract No. CW-201E.

Moved by Commissioner Makras, seconded by Commissioner Normandy to adopt Item 11; passed (5-0) unanimously.

Resolution No. 99-0052: Ratifying the Declaration of Emergency made by the President for Clean Water Program Contract No. CW-201E, Anza Street Emergency Sewer Replacement, and requesting the Board of Supervisors to approve the expenditure of funds in the amount of \$194,291.00.

12. Setting the date, time and place for a public hearing to consider revisions in the rates to be charged for water service and water supplies by the Water Enterprise, rates charged for sewer service provided by the Clean Water Enterprise, and proposed adjustments in miscellaneous fees.

Commissioner Makras requested that the rate package include the actual and proposed charges and fees for miscellaneous services.

Moved by Commissioner Makras, seconded by Commissioner Normandy to adopt Item 12; passed (5-0) unanimously.

Resolution No. 99-0053: Designating April 27, 1999 at 1:30 p.m. in City Hall, Room 400, 1 Dr. Carlton B. Goodlett Place, San Francisco as the date, time and place for a public hearing to consider revisions in the rates to be charged for water service and water supplies by the Water Enterprise, rates charged for sewer service provided by the Clean Water Enterprise, and proposed adjustments in miscellaneous fees.

LEASES AND PERMITS

13. Authorizing a Letter Agreement with the City of Sunnyvale.

Moved by Commissioner Normandy, seconded by Commissioner Cook, to adopt Item 13; passed (5-0) unanimously.

Resolution No. 99-0054: Authorizing the General Manager of Public Utilities to execute a Letter Agreement with the City of Sunnyvale formalizing the existence of certain equipment over a Public Utilities Commission waterline easement in Santa Clara County.

14. Authorizing a Permit to The San Francisco School.

Moved by Commissioner Cook, seconded by Commissioner Makras, to adopt Item 14; passed (5-0) unanimously.

Resolution No. 99-0055: Authorizing the General Manager of Public Utilities to execute a Letter Agreement with the City of Sunnyvale formalizing the existence of certain equipment over a Public Utilities Commission waterline easement in Santa Clara County.

15. Authorizing a Water Supply Line Relocation Agreement and Letter of Intent with the San Francisco Bay Area Rapid Transit District.

Moved by Commissioner Normandy, seconded by Commissioner Makras, to adopt Item 15; passed (5-0) unanimously.

Resolution No. 99-0056: Authorizing the General Manager of Public Utilities to execute a Water Supply Line Relocation Agreement and Letter of Intent with the San Francisco Bay Are Rapid Transit District to accommodate the relocation of SFPUC's "60" Sunset Supply Line as required by the BART/SFO Airport Extension Project.

16. Authorizing a Lease with Viacom Realty Corporation.

Commissioner Makras recommended that the resolution be amended to incorporate limiting use of the property to 146 days a year and any use beyond that period will result in a charge of one month's additional rent.

Moved by Commissioner Makras, seconded by Commissioner Hom, to adopt Item 16 as amended; passed (5-0) unanimously.

Resolution No. 99-0057: Authorizing the General Manager of Public Utilities to execute a Lease with Viacom Realty Corporation for approximately 3.94 acres of Public Utilities Commission land on BDPL Nos. 3 and 4, Parcel 142 in Santa Clara for a parking lot, ingress and egress and landscaping for an annual rental of \$86,400.00 and limiting use to 146 days.

17. Approving a Lease with the Neighborhood House Association of San Diego, the interim Head Start childcare operator, to occupy approximately 3,450 square feet of building area plus an adjoining play area located in the Southeast Community Facility at an annual rental rate of \$36,108.00.

Mr. Garrett Dowd, Manager, Commercial Land Management Bureau, stated that the non-profit policy was not applied in this lease even though the childcare center is a non-profit agency. He stated that this lease was negotiated by the San Francisco Real Estate Department. It is unique in that the childcare center is located within a structure, the Southeast facility. If the 50% discount for non-profits were applied the PUC would lose money because the rents at the Southeast facility are often below market value initially and only cover overhead costs. The Real Estate Department informed staff that this lease is at fair market value for that facility.

Commissioner Makras inquired if the rental policy established by the Commission for non-profits was based on vacant land versus structures. Mr. Dowd responded that it was based on vacant land. Commissioner Makras asked if the non-profit is aware of the Commission's discount policy and have they chosen to pay higher than our policy. Mr. Dowd responded that he was not sure because Southeast facility leases are handled by the Real Estate Department.

Commissioner Normandy expressed concern regarding continually making exceptions to an established policy and suggested continuing the item to the call of the chair. He requested that staff make a comparison of what the numbers would be if we enforce the policy that we now have in place for non-profits versus what is now being recommended. He stated that the Commission should look at that on a side by side basis and make a decision as to whether we are going to make an exception to our policy or merely implement the policy already in existence.

Commissioner Makras stated that if this Commission were to look at amending the non-profit policy to treat a structure differently than a right of way he would support it. Staff should have the affirmative obligation when negotiating with a prospective tenant to let them know of our policy.

President Caen stated that this puts a burden on Southeast, which is our facility. She suggested that when we look at exceptions, we should look at it very carefully to see if there would be other situations similar to this and then maybe we will have to exempt the Southeast facility from the existing policy.

Commissioner Cook suggested that staff should make comparisons so that we have a clear set policy in dealing with land versus building.

President Caen asked if we have any non-profits now that are in structures. Mr. Dowd responded that the only one that comes to mind is the school house at Moccasin. There may be a few more but not many.

Moved by Commissioner Normandy, seconded by Commissioner Makras, to continue Item 17 to the call of the chair; passed (5-0) unanimously.

CONSTRUCTION CONTRACTS

Advertise

On recommendation by President Caen, Commissioner Normandy moved, seconded by Commissioner Cook to adopt Items 18, 19 and 20 as consent items; passed (5-0) unanimously.

18. Resolution No. 99-0058: Approving final plans and specifications and authorizing bid call for San Francisco Water Department Contract No. WD-2294, Alameda Creek Diversion Dam - Erosion and Miscellaneous Repairs.
19. Resolution No. 99-0059: Approving final plans and specifications and authorizing bid call for San Francisco Water Department Contract No. WD-2246, Replace Castlewood Pump Station.
20. Resolution No. 99-0060: Approving final plans and specifications and authorizing bid call for Clean Water Program contract No. CW-192, Fiber-Optic Duct Bank Restoration.

Award

21. Awarding Clean Water Program Contract No. CW-161.

Moved by Commissioner Cook, seconded by Commissioner Hom to adopt Item 21; passed (5-0) unanimously.

Resolution No. 99-0061: Approving final plans and specifications and authorizing bid call for Clean Water Program contract No. CW-192, Fiber-Optic Duct Bank Restoration.

Close

22. Accepting the work performed under Clean Water Program Contract No. CW-102 as satisfactorily completed.

Moved by Commissioner Normandy, seconded by Commissioner Cook to adopt Item 22; passed (5-0) unanimously.

Resolution No. 99-0062: Approving final plans and specifications and authorizing bid call for Clean Water Program contract No. CW-192, Fiber-Optic Duct Bank Restoration.

PROFESSIONAL SERVICE CONTRACTS

Advertise

23. Authorizing issuance of a Request for Proposals for as-needed energy engineering services.

Commissioner Makras inquired as to why the City ended their commercial energy conservation program and why we should continue a program like this when the Board of Supervisors has voted the commercial element down. Mr. John Deakin, Manager, Bureau of Energy Conservation, responded that the Commercial Energy Conservation Ordinance (CECO) had been administered by the Bureau of Building Inspection and the Bureau decided it did not have the administrative and managerial support to properly support this ordinance so as part of a much larger look at the building codes for the City they decided that they could not support it adequately and it should be dropped. The Residential Energy Conservation Ordinance (RECO) which had been put in place earlier is still in place. Mr. Lawrence Klein, General Manager, Hetch Hetchy Water and Power Department, stated that this is a proposal that makes dollars for the City. It is consistent with the Board's positions on sustainable cities and energy conservation and it will not be done within City departments unless Hetch Hetchy and the Bureau of Energy Conservation fund it and support the activity.

Commissioner Normandy inquired about the \$110,000 increase from the current engineering contract to the proposed contract. Mr. Klein responded that when staff looked at this program they discovered that we will have work that would cover the next 100 years in existing buildings. President Caen stated she had reviewed the item in great depth and is comfortable with it. She urged the Commission to move forward on the item.

Moved by Commissioner Normandy, seconded by Commissioner Cook to adopt Item 23; passed (4-1). Commissioner Makras voted no.

Resolution No. 99-0063: Approving final plans and specifications and authorizing bid call for Clean Water Program contract No. CW-192, Fiber-Optic Duct Bank Restoration.

24. Authorizing the Water Pollution Control Division to advertise and solicit proposals for the installation, monitoring and repair of an alarm/intruder detection system.

Item 24 was removed from the agenda.

Discussion of Item 25 was postponed until after the Closed Session.

The Public Utilities Commission met in Closed Session from 2:45 p.m. to 5:30 p.m. to discuss the following matters:

CLOSED SESSION

26. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Anticipated Litigation: As Plaintiff and as Defendant
Property: 500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County.
Parties Negotiating: Nelson/Lymburn/Thompson/Malamut
City of Pleasanton
Under Negotiations: Terms and Conditions

No action.

27. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property: 525 Golden Gate Avenue, San Francisco
Parties Negotiating: CCSF - Dowd
State of California
Under Negotiation: Terms

No action.

28. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):

Existing Litigation: IFPTE, Local 21 v. PUC, Superior Court No. 301722

No action.

29. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c):

Anticipated Litigation: As Defendant
Regarding the Regional Water Quality Control Board

Moved by President Caen, seconded by Commissioner Hom to adopt the following resolution for Item 29; passed (4-1). Commissioner Makras voted no.

Resolution No. 99-0065: This Commission discussed the City Attorney's recommendation for partial resolution of ongoing disputes regarding Calaveras Reservoir; and hereby concurs in the City Attorney's proposed course of action.

Note: Commissioner Hom was excused at 5:25 p.m.

30. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):

Existing Litigation: FY 95-96 Arbitration with Bay Area Water Users Association

Moved by Commissioner Makras, seconded by Commissioner Normandy to approve the following resolution for Item 30; passed (4-0) unanimously.

Resolution No. 99-0066: Approving the third settlement agreement between the City and the Suburban Purchasers.

31. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):

Existing Litigation: Fireman's Fund Insurance Co. v. CCSF
Municipal Court 151-430
Clarendon National Insurance Co. v. CCSF
Municipal Court 158-198

Moved by Commissioner Normandy, seconded by Commissioner Cook to excuse Commissioner Makras from voting; passed (4-0) unanimously.

Moved by Commissioner Normandy, seconded by Commissioner Cook to approve a settlement for Item 31; passed (3-0) unanimously.

Resolution No. 99-0067: Approving a settlement in the case of: Fireman's Fund Insurance Co. v. CCSF, Municipal Court 151-430; and Clarendon National Insurance Co. v. CCSF, Municipal Court 158-198.

Note: Commissioner Hom returned at 5:30 p.m.

32. Public Comments on matters to be discussed in Closed Session.

There were none.

33. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

Moved by Commissioner Normandy, seconded by Commissioner Cook to assert the attorney-client privilege; passed (5-0) unanimously.

The Public Utilities Commission reconvened in open session at 5:35 p.m.

34. Announcement following Closed Session.

President Caen announced the actions taken during the Closed Session.

35. Motion regarding whether to disclose the discussions during Closed Session.

Moved by Commissioner Cook, seconded by Commissioner Normandy not to disclose the discussion during the Closed Session; passed (5-0) unanimously.

PROFESSIONAL SERVICE CONTRACTS

Amend

25. Amending the personal services contract with Bruce Lymburn.

President Caen suggested that the resolution be amended to add "pending HRC approval."

Moved by Commissioner Makras, seconded by Commissioner Normandy to approve Item 25 as amended; passed (5-0) unanimously.

Resolution No. 99-0064: Authorizing the General Manager of Public Utilities to amend the personal services contract with Bruce Lymburn to increase the contract amount by \$285,000, adjust the billing rates and extend the term of the contract to March 31, 2000 pending Human Rights Commission approval.

Thereupon, the meeting was adjourned: 5:36 p.m.

Romaine A. Boldridge
Secretary

AGENDA

PUBLIC UTILITIES COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

REGULAR MEETING

April 13, 1999
1:30 P.M.
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

DOCUMENTS DEPT.

APR 09 1999

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Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras
Ben L. Hom

DEPARTMENTS

Water Department
 City Distribution Division
 Water Supply & Treatment
Hetch Hetchy Water & Power
Clean Water Program
 Water Pollution Control

BUREAUS

Commercial Land Management
Customer Service
Environmental Regulation and Management
Finance
Management Information Systems
Personnel and Training
System Planning and Regulatory Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

Disability Access

The Public Utilities Commission meeting will be held in Room 400, City Hall, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA. The Commission meeting room is wheelchair accessible. The closest accessible BART station is the Civic Center Station at United Nations Plaza and Market Street. Accessible MUNI lines serving this location are: #42 Downtown Loop, and #71 Haight/Noriega and the F Line to Market and Van Ness and the Metro Stations at Van Ness and Market and at Civic Center. For information about MUNI accessible services call (415) 923-6142. There is accessible curbside parking adjacent to City Hall on Grove Street and Van Ness Avenue and in the vicinity of the Veterans Building at 401 Van Ness Avenue adjacent to Davies Hall and the War Memorial Complex.

The following services are available on request 48 hours prior to the meeting; except for Monday meetings, for which the deadline shall be 4:00 p.m. of the last business day of the preceding week: For American sign language interpreters or the use of a reader during a meeting, a sound enhancement system, and/or alternative formats of the agenda and minutes, please contact Romaine Boldridge at (415) 554-3165 or our TDD at (415) 554-3488 to make arrangements for the accommodation. Late requests will be honored, if possible.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the City accommodate these individuals. Individuals with chemical sensitivity or related disabilities should call our accessibility hotline at (415) 554-6060.

Know your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code)

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils, and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at (415) 554-4851.

San Francisco Lobbyist Ordinance

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance [SF Admin Code §16.520-16.534] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 1390 Market Street #801, San Francisco, CA 94102, telephone (415) 554-9510, fax (415) 703-0121 and web site <http://www.ci.sf.ca.us/ethics/>.

ORDER OF BUSINESS

1. Call to Order
2. Roll Call
3. Approval of Minutes
4. Communications
5. Introduction of Old/Ongoing Business by Commissioners
6. Introduction of New Business by Commissioners
7. Report of the General Manager
8. Public Comments

Members of the public may address the Commission on matters that are within the Commission's jurisdiction and are not on today's agenda.

THE FOLLOWING MATTERS BEFORE THE PUBLIC UTILITIES COMMISSION ARE RECOMMENDED FOR ACTION AS STATED, BY THE GENERAL MANAGER OF PUBLIC UTILITIES, AND CITY ATTORNEY WHERE APPLICABLE.

REGULAR BUSINESS

9. Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission for Clean Water Program Contract No. CW-148, Rankin Drainage Basin Improvement Emergency Sewer Work, and requesting the Board of Supervisors to approve the expenditure of funds for the emergency work. (Quan)
10. Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission for Clean Water Program Contract No. CW-150E, Harrison Street Emergency Sewer Replacement, and requesting the Board of Supervisors to approve the expenditure of funds for the emergency work. (Quan)
11. Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission for Clean Water Program Contract No. CW-151E, 4th Street Emergency Sewer Replacement, and requesting the Board of Supervisors to approve the expenditure of funds for the emergency work. (Quan)
12. Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission for Clean Water Program Contract No. CW-170E, Baltimore Way/Canyon Drive Emergency Easement Sewer Replacement, and requesting the Board of Supervisors to approve the expenditure of funds for the emergency work. (Quan)
13. Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission for Clean Water Program Contract No. CW-171E, Broderick Street Emergency Sewer Replacement, and requesting the Board of Supervisors to approve the expenditure of funds for the emergency work. (Quan)
14. Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission for Clean Water Program Contract No. CW-188E, Pine Street Emergency Sewer Replacement, and requesting the Board of Supervisors to approve the expenditure of funds for the emergency work. (Quan)

REGULAR BUSINESS (Continued)

15. Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission for Clean Water Program Contract No. CW-189E, Jackson Street Emergency Sewer Replacement, and requesting the Board of Supervisors to approve the expenditure of funds for the emergency work. (Quan)
16. Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission for Clean Water Program Contract No. CW-193E, Kearny Street/Columbus Avenue/Jackson Street Emergency Sewer Replacement, and requesting the Board of Supervisors to approve the expenditure of funds for the emergency work. (Quan)
17. Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission for Clean Water Program Contract No. CW-200E, 60 Scenic Way Emergency Easement Sewer Replacement, and requesting the Board of Supervisors to approve the expenditure of funds for the emergency work. (Quan)
18. Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission for Clean Water Program Contract No. CW-203E, Green Street Emergency Sewer Replacement, and requesting the Board of Supervisors to approve the expenditure of funds for the emergency work. (Quan)
19. Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission for Clean Water Program Contract No. CW-221E, Polk Street Emergency Sewer Replacement from Grove Street to McAllister Street, and requesting the Board of Supervisors to approve the expenditure of funds for the emergency work. (Quan)
20. Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission for Clean Water Program Contract No. CW-222E, Van Ness Avenue Emergency Sewer Replacement, and requesting the Board of Supervisors to approve the expenditure of funds for the emergency work. (Quan)

REGULAR BUSINESS (Continued)

21. Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission for Clean Water Program Contract No. CW-223E, Polk Street Emergency Sewer Replacement from Sutter Street to Bush Street, and requesting the Board of Supervisors to approve the expenditure of funds for the emergency work. (Quan)
22. Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission for Clean Water Program Contract No. CW-233E, Intersection of Howard and First Streets Emergency Sewer Replacement, and requesting the Board of Supervisors to approve the expenditure of funds for the emergency work. (Quan)
23. To inform the Commission about the State of California's Toxic Sediment Program and its impact on San Francisco PUC programs. 10 mins. (Medbery)
24. To inform the Commission about PUC's Y2K planned exercises. 5 mins. (Olsen/Davidis)
25. Authorizing the General Manager of Public Utilities to enter into an agreement with PG&E to adopt the substitute Energy Cost Adjustment Clause (ECAC)-proxy and to enter into letter agreements with PG&E to establish operating rules and procedures to implement the Master Agreement between the City and PG&E. (Klein)
26. Authorizing the Manager of City Distribution Division to reallocate \$250,000 from "CDD Operations Professional Services" and "Other Current Services" to "Department of Public Works Geo Information System" to fund the implementation of Phase 1 of Gatebook Automation for City Distribution Division. (Flores)
27. Approving the financing documents for a \$150 million Commercial Paper Program to provide interim financing for Water Enterprise capital projects prior to issuance of Water Revenue bonds. (Berry)
28. Approving the financing documents for the sale of up to \$140 million of Water Enterprise Revenue Bonds to finance the bond funded 1999-2000 Capital Improvement Projects. (Berry)

LEASES AND PERMITS

29. Declaring Lot 005, Block 4357, located between Illinois and Michigan Street in San Francisco surplus property; and authorizing the General Manager of Public Utilities to request the Director of Property to determine the fair market value of the property, advertise it for sale, hold a public auction and prepare and submit legislation to the Board of Supervisors to accommodate the sale. (Dowd)
30. Authorizing the General Manager of Public Utilities to approve a seven year lease for office space, totaling approximately 16,460 square feet and 600 square feet of storage space for the City and County of San Francisco at 657 Rollins Road in Burlingame, California at an initial monthly rate of \$39,159.38. (Dowd)
31. Authorizing the General Manager of Public Utilities to execute a permit with Nextlink California, L.L.C., to install, maintain, use and repair one 6-inch diameter telecommunications conduit within a portion of Parcels 1205 and 1206 of Bay Division Pipelines No. 1 and 2 right of way, located on Paseo Padre Parkway, east of Grimmer in Fremont, Alameda County at an annual permit fee of \$16,800. (Dowd)
32. Authorizing the General Manager of Public Utilities to execute a permit with Nextlink California, L.L.C., to install, maintain, use and repair one 6-inch diameter telecommunications conduit within a portion of Parcels 19 and 20 of Bay Division Pipelines No. 3 and 4 right of way, located on East Paseo Padre Parkway, at Ocaso Camino in Fremont, Alameda County at an annual permit fee of \$11,520. (Dowd)
33. Authorizing the General Manager of Public Utilities to execute a permit with Nextlink California, L.L.C., to install, maintain, use and repair one 6-inch diameter telecommunications conduit within a portion of Parcel 22A of Bay Division Pipelines No. 3 and 4 right of way, located on Paseo Padre Parkway, at Oakridge Drive and Durham Road in Fremont, Alameda County at an annual permit fee of \$7,872. (Dowd)
34. Authorizing the General Manager of Public Utilities to execute a permit with Nextlink California, L.L.C., to install, maintain, use and repair one 6-inch diameter telecommunications conduit within a portion of Parcel 34B of Bay Division Pipelines No. 3 and 4 right of way, located on Paseo Padre Parkway, at Tissiack Way in Fremont, Alameda County at an annual permit fee of \$7,680. (Dowd)

35. Authorizing the General Manager of Public Utilities to execute a permit with Nextlink California, L.L.C., to install, maintain, use and repair one 6-inch diameter telecommunications conduit within a portion of Parcels 40A, 41A and 41B of Bay Division Pipelines No. 3 and 4 right of way, located on East Warren Avenue, 570 feet east of Fernald Street in Fremont, Alameda County at an annual permit fee of \$7,680. (Dowd)

CONSTRUCTION CONTRACTS

Advertise

36. Approving the final plans and specifications and authorizing advertisement for proposals for Clean Water Program Contract No. CW-196, Westside Transport Grit Flushing. (Quan)
37. Re-approving the final plans and specifications for Clean Water Program Contract No. CW-211, 4th Avenue/10th Avenue/Anza Street/Cabrillo Street Sewer Replacement; and authorizing re-advertisement for bids. (Quan)
38. Approving the final plans and specifications and authorizing advertisement for proposals for Clean Water Program Contract No. CW-212, Post/Grove/Potomac Streets Sewer Replacement. (Quan)
39. Approving the final plans and specifications and authorizing advertisement for proposals for Clean Water Program Contract No. CW-213, Greenwich Street/Clement Street/Precita Avenue Sewer Replacement. (Quan)
40. Approving the final plans and specifications and authorizing advertisement for proposals for Clean Water Program Contract No. CW-220, Third Street Sewer System Improvement Phase II. (Quan)

CONSTRUCTION CONTRACTS (Continued)

41. Approving the final plans and specifications and authorizing advertisement for proposals for San Francisco Water Department Contract WD-2184, Crystal Springs Pipeline No. 1 Replacement from Brisbane to Daly City. (Quan)
42. Approving the final plans and specifications and authorizing advertisement for proposals for San Francisco Water Department Contract WD-2277, Sunol Valley Water Treatment Plant Decant Sump Modification. (Quan)
43. Rejecting the sole bid submitted for San Francisco Water Department Contract No. WD-2242, Thomas Shaft Chlorination Facility Improvement, Phase 1, Emergency Disinfection Station; and authorizing re-advertisement for bids. (Quan)

Amend

44. Approving Modification No. 1 to San Francisco Water Department Contract No. WD-2255, Sunol Valley Water Treatment Plant Filter Console Modification, for an increase in the total contract amount by \$94,993 and 90 calendar day extension of time to complete work. (Quan)

Close

45. Accepting the work performed under Hetch Hetchy Contract WP-10, Protective Relay Installation Specification No. M031911; approving final Contract Modification in the credit amount of \$132.50 and approving final payment of \$49,462.81 to Tri-Technic, Inc. (Quan)
46. Accepting the work performed for Hetch Hetchy Contract No. HH-883, Hetch Hetchy Water and Power Roofing Project; and approving final payment of \$5,000 to Pioneer Roofing Organization. (Quan)

CONSTRUCTION CONTRACTS (Continued)

47. Accepting work performed for San Francisco Water Department Contract No. WD-2248, City Distribution Division Roof Replacement as satisfactorily complete; approving final contract modification in the decreased amount of \$11,994; approving final payment in the amount of \$85,841 to Pioneer Roofing Organization; and approving a 67 calendar day time extension for contract completion. (Quan)
48. Accepting the work performed for Clean Water Program Contract No. CW-101, Post Street Sewer Replacement; approving contract modification in the debit amount of \$11,907; and approving final payment of \$19,607 to K. J. Woods Construction, Inc. (Quan)

PROFESSIONAL SERVICE CONTRACTS

Advertise

49. Authorizing the Utilities Engineering Bureau to request proposals, interview, select and recommend qualified engineering firms for up to ten (10) separate agreements to provide as-needed specialized engineering and construction management services, each for a period of 24 months with a total spending authority of \$10 million. (Quan)

Award

50. Authorizing the General Manager of Public Utilities to award and execute a contract for Legislative Representation and Advocacy services to Hooper, Owen, Gould & Winburn for a period of one year with three one-year renewals based on an annual performance review by the General Manager of Public Utilities at an annual contract amount not to exceed \$350,000. (Medbery)

Amend

51. Amending the existing agreement with Hydroconsult Engineers to provide hydraulic and hydrologic engineering services extending the term of the contract for two years at a cost not to exceed \$497,000. (Medbery)

CLOSED SESSION

52. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Anticipated Litigation: As Plaintiff and as Defendant
Property: 500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County.
Parties Negotiating: Nelson/Lymburn/Thompson/Malamut
City of Pleasanton
Under Negotiations: Terms and Conditions

53. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a): (Adams)

Existing Litigation: Karen Bradley v. CCSF, et. al., Superior Court No. 993-170.

54. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a): (Rothschild)

Existing Litigation: Marianne Nassrian Nilsen vs. Donald Karstedt, The San Francisco Water Department and the City and County of San Francisco, San Francisco Superior Court (Limited Jurisdiction) Number 158368.

55. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c): (Clayton)

Anticipated Litigation: Claim of Michael Clarke v. SF Water Department, Claim No. 99-01005

56. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c): (Roddy)

Anticipated Litigation: As Plaintiff
Regarding the State Water Resources Control Board

57. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property: Hunters Point Naval Shipyard
Parties Negotiating: CCSF - Cohen/Warren/Moyer
US Navy
Under Negotiation: Lease in Furtherance of Conveyance (LIFOC) for the transfer of Hunter's Point Naval Shipyard to the City.

58. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property: Balboa Reservoir Property at Phelan and Ocean Avenue
Parties Negotiating: CCSF - Dowd
San Francisco City College
Under Negotiation: Terms

59. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property: 910 Larkspur Drive in Millbrae, CA
Parties Negotiating: CCSF - Dowd
Sam Grado
Under Negotiation: Terms

60. Public Comments on matters to be discussed in Closed Session.

61. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

THE PUBLIC UTILITIES COMMISSION WILL GO INTO CLOSED SESSION TO DISCUSS ABOVE LISTED CLOSED SESSION MATTERS.

FOLLOWING THE CLOSED SESSION, THE PUBLIC UTILITIES COMMISSION WILL RECONVENE IN PUBLIC SESSION.

62. Announcement following Closed Session.
63. Motion regarding whether to disclose the discussions during Closed Session.

ADJOURNMENT

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Public Utilities Commission
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San Francisco, CA 94103

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MINUTES

PUBLIC UTILITIES COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

REGULAR MEETING

April 13, 1999
1:30 P.M.
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

DOCUMENTS DEPT.

COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras
Ben L. Hom

JUN 24 1999

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Customer Service
Environmental Regulation and Management
Finance
Management Information Systems
Personnel and Training
System Planning and Regulatory Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Lorna T. Navarro
ACTING SECRETARY

8. Public comments on matters that were not on today's agenda.

Farris Smith, Bureau of Water Pollution Control, requested assistance from the Commission in obtaining information on the status of two instrumentation technician apprentice positions once the Jack Hopkins contract expires. President Caen requested Mr. Moran to respond directly to Mr. Smith.

Note: Commissioner Makras was excused at 1:55 p.m.

REGULAR BUSINESS

Moved by Commissioner Normandy, seconded by Commissioner Cook to adopt Items 9 and 10; passed (4-0) unanimously.

9. Resolution No. 99-0068: Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission for Clean Water Program Contract No. CW-148, Rankin Drainage Basin Improvement Emergency Sewer Work, and requesting the Board of Supervisors to approve the expenditure of funds for the emergency work.

10. Resolution No. 99-0069: Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission for Clean Water Program Contract No. CW-150E, Harrison Street Emergency Sewer Replacement, and requesting the Board of Supervisors to approve the expenditure of funds for the emergency work.

Note: Commissioner Makras returned at 2:00 p.m.

Moved by Commissioner Normandy, seconded by Commissioner Hom to adopt Items 11 through 22; passed (5-0) unanimously.

11. Resolution No. 99-0070: Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission for Clean Water Program Contract No. CW-151E, 4th Street Emergency Sewer Replacement, and requesting the Board of Supervisors to approve the expenditure of funds for the emergency work.

12. Resolution No. 99-0071: Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission for Clean Water Program Contract No. CW-170E, Baltimore Way/Canyon Drive Emergency Easement Sewer Replacement, and requesting the Board of Supervisors to approve the expenditure of funds for the emergency work.

13. Resolution No. 99-0072: Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission for Clean Water Program Contract No. CW-171E, Broderick Street Emergency Sewer Replacement, and requesting the Board of Supervisors to approve the expenditure of funds for the emergency work.

14. Resolution No. 99-0073: Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission for Clean Water Program Contract No. CW-188E, Pine Street Emergency Sewer Replacement, and requesting the Board of Supervisors to approve the expenditure of funds for the emergency work.

15. Resolution No. 99-0074: Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission for Clean Water Program Contract No. CW-189E, Jackson Street Emergency Sewer Replacement, and requesting the Board of Supervisors to approve the expenditure of funds for the emergency work.

16. Resolution No. 99-0075: Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission for Clean Water Program Contract No. CW-193E, Kearny Street/Columbus Avenue/Jackson Street Emergency Sewer Replacement, and requesting the Board of Supervisors to approve the expenditure of funds for the emergency work.

17. Resolution No. 99-0076: Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission for Clean Water Program Contract No. CW-200E, 60 Scenic Way Emergency Easement Sewer Replacement, and requesting the Board of Supervisors to approve the expenditure of funds for the emergency work.

18. Resolution No. 99-0077: Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission for Clean Water Program Contract No. CW-203E, Green Street Emergency Sewer Replacement, and requesting the Board of Supervisors to approve the expenditure of funds for the emergency work.

19. Resolution No. 99-0078: Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission for Clean Water Program Contract No. CW-221E, Polk Street Emergency Sewer Replacement from Grove Street to McAllister Street, and requesting the Board of Supervisors to approve the expenditure of funds for the emergency work.

20. Resolution No. 99-0079: Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission for Clean Water Program Contract No. CW-222E, Van Ness Avenue Emergency Sewer Replacement, and requesting the Board of Supervisors to approve the expenditure of funds for the emergency work.

21. Resolution No. 99-0080: Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission for Clean Water Program Contract No. CW-223E, Polk Street Emergency Sewer Replacement from Sutter Street to Bush Street, and requesting the Board of Supervisors to approve the expenditure of funds for the emergency work.

22. Resolution No. 99-0081: Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission for Clean Water Program Contract No. CW-233E, Intersection of Howard and First Streets Emergency Sewer Replacement, and requesting the Board of Supervisors to approve the expenditure of funds for the emergency work.

23. To inform the Commission about the State of California's Toxic Sediment Program and its impact on San Francisco PUC programs.

Michele Pla of the Systems Planning and Regulatory Bureau, gave a presentation on toxic sediments and toxic hot spots. There are 11 sites identified as part of the State-wide Regional Cleanup Plan in San Francisco Bay of which three are on the shoreline of San Francisco: Mission Creek, Islais Creek and Central Basin. Staff is now in the process of characterizing the sediment in Mission, Islais and Yosemite Creeks. The State asserts that the discharge from the combined sewer overflows is the cause of toxicity. She stated that once the State cleanup plan is adopted the end of June, we anticipate receiving an enforcement order from the Regional Board asking PUC to complete site investigations, prepare a feasibility study on cleanup and determine whether combined sewer overflows are contributing to toxicity. Staff will submit comments to the State Regional Board on consolidated cleanup plan by June 3, 1999.

24. To inform the Commission about PUC's Y2K planned exercises.

Carolyn Olsen, Assistant General Manager, Operations gave a presentation on the Y2K schedule for simulation training and field exercises. She stated that at present we are at 90% assessment of all mission critical units and between 70% and 80% of auxiliary units. A list and cost for remediation would be submitted next month for review and approval along with a training schedule for the next few months. In September there would be a series of simulated Y2K exercises. In October, staff would submit a report to the Commission on the results of the exercises. Commissioner Normandy commended Mrs. Olsen for responding with such an extensive program schedule in a short period of time and reminded staff to coordinate communication of all information during this process with the PUC communications group.

25. Authorizing the General Manager of Public Utilities to enter into an agreement with PG&E to adopt the substitute Energy Cost Adjustment Clause (ECAC)-proxy and to enter into letter agreements with PG&E to establish operating rules and procedures to implement the Master Agreement between the City and PG&E.

Commissioner Makras asked what was contemplated in these letter agreements. He expressed concerns that these letter agreements could change the master agreement that the Commission and the Board of Supervisors had approved.

Vicki Clayton, Utilities General Counsel, stated that the master agreement is unclear in certain areas of day to day operations. She stated that approval of the item would allow the General Manager to enter into letter agreements which do not impact the actual terms of the master agreement and to work with P.G.&E on a daily basis to make the agreement work. She stated it is not necessary that the authority be delegated to the General Manager, but if not, then daily operational issues will have to come back to the Commission and the Board of Supervisors to amend the contract.

Anson Moran, General Manager, stated that the intent of the letter agreements was to give staff the ability to implement the terms of the master settlement agreement without returning to the Commission for administrative updates. Staff will return to the Commission if the letter agreements have any economic effect.

Commissioner Normandy suggested amending the second “further resolved” clause to read: *“Further Resolved, That the PUC General Manager has the authority under Sections 4.a and 4.j of the Master Settlement Agreement to work with P.G.&E. to determine mutually acceptable operating rules and procedures necessary to implement the Master Agreement.”*

Moved by Commissioner Normandy, seconded by Commissioner Makras to adopt Item 25 as amended; passed (5-0) unanimously.

Resolution No. 99-0082: Authorizing the General Manager of Public Utilities to enter into an agreement with PG&E to adopt the substitute Energy Cost Adjustment Clause (ECAC)-proxy and to work with PG&E to determine mutually acceptable operating rules and procedures necessary to implement the Master Agreement.

26. Authorizing reallocation of \$250,000 from “CDD Operations Professional Services” and “Other Current Services” to “Department of Public Works Geo Information System” to fund the implementation of Phase 1 of Gate Book Automation for City Distribution Division.

Commissioner Makras requested that staff provide a memo on how the Gatebook Automation Project would be implemented.

Moved by Commissioner Makras, seconded by Commissioner Normandy to adopt Item 26; passed (5-0) unanimously.

Resolution No. 99-0083: Authorizing the Manager of City Distribution Division to reallocate \$250,000 from "CDD Operations Professional Services" and "Other Current Services" to "Department of Public Works Geo Information System" to fund the implementation of Phase 1 of Gate Book Automation for City Distribution Division.

27. Approving the financing documents for a \$150 million Commercial Paper Program.

William Berry, Assistant General Manager, Finance and Administration, addressed the Commission's concerns on the risks of using commercial paper for construction financing. He pointed out that it has been historically demonstrated that commercial paper is a proven vehicle for cash flow financing and interim construction financing. It is estimated that using commercial paper to provide interim financing for next year's Water Enterprise Capital Improvement Program would save the PUC and its ratepayers at least \$1.3 million primarily because commercial paper interest rates are lower and because commercial paper is issued only as needed.

President Caen stated she thinks this is a very important program for us to go into because we cannot dismiss the fact that we are looking at 200 basis points, as of today, between paper interest rates versus long term bond rates and the flexibility we would have with issuing. She stated she would encourage a yes vote on this commercial paper program.

Commissioner Makras stated that it has never been demonstrated that the PUC has a cash flow problem. He stated his strong preference to issue revenue bonds instead of commercial paper and expressed the opinion that it defies basic logic that if you sell \$126 million worth of bonds and you have your money at full disposal to write a check against those bonds, how could you have a cash flow problem. He also said he believed that the Commission and staff are being lured by savings which would occur in a flat or declining interest rate market, but which might not occur if interest rates go up. He said we were shifting our business into the "chasing interest rates business," and cautioned against it. He stated his belief that it is bad public policy to ask staff to estimate interest rates into the future. He also described an exercise he asked staff to perform between this meeting and the previous meeting, that of asking our bankers the cost they would charge for providing an option that would permit us to lock-in current rates in the future. He indicated the response he received was that we could not get a price because it was too risky, there was no market for it. He considers that response an indication that commercial paper is too risky. He stated that he would vote no on this item because we have the protection on interest rates declining by refinancing, but if we have an area where interest rates go up rapidly in a short period of time, then we will pay the higher rate virtually for 30 or 40 years.

President Caen stated that in looking at the next item (Item 28) approving long term bonds, if we approved bonds at this time and do not issue them, then we would be in a better position to move to cover our paper if need be. Her feeling was that you usually have a very good indication about where interest rates are moving and that would shorten our time in terms of covering our paper so we would not be caught in a big differential in interest rates.

Moved by Commissioner Normandy, seconded by Commissioner Hom to adopt Item 27; passed (4-1) Commissioner Makras voted no.

Resolution No. 99-0084: Approving the financing documents for a \$150 million Commercial Paper Program to provide interim financing for Water Enterprise capital projects prior to issuance of Water Revenue bonds.

28. Approving the financing documents for the sale of up to \$140 million of Water Enterprise Revenue Bonds.

Moved by Commissioner Cook, seconded by Commissioner Makras to adopt Item 28; passed (5-0) unanimously.

Resolution No. 99-0085: Approving the financing documents for the sale of up to \$140 million of Water Enterprise Revenue Bonds to finance the bond funded 1999-2000 Capital Improvement Projects.

LEASES AND PERMITS

29. Declaring Lot 005, Block 4357, located between Illinois and Michigan Street in San Francisco surplus property.

Moved by Commissioner Makras, seconded by Commissioner Hom to adopt Item 29; passed (5-0) unanimously.

Resolution No. 99-0086: Declaring Lot 005, Block 4357, located between Illinois and Michigan Street in San Francisco surplus property; and authorizing the General Manager of Public Utilities to request the Director of Property to determine the fair market value of the property, advertise it for sale, hold a public auction and prepare and submit legislation to the Board of Supervisors to accommodate the sale.

30. Authorizing the General Manager of Public Utilities to approve a seven year lease for office space, totaling approximately 16,460 square feet and 600 square feet of storage space for the City and County of San Francisco at 657 Rollins Road in Burlingame, California at an initial monthly rate of \$39,159.38.

Item 30 was removed from the agenda.

Moved by Commissioner Cook, seconded by Commissioner Normandy to adopt Items 31 through 35; passed (5-0) unanimously.

31. Resolution No. 99-0087: Authorizing the General Manager of Public Utilities to execute a permit with Nextlink California, L.L.C., to install, maintain, use and repair one 6-inch diameter telecommunications conduit within a portion of Parcels 1205 and 1206 of Bay Division Pipelines No. 1 and 2 right of way, located on Paseo Padre Parkway, east of Grimmer in Fremont, Alameda County at an annual permit fee of \$16,800.

32. Resolution No. 99-0088: Authorizing the General Manager of Public Utilities to execute a permit with Nextlink California, L.L.C., to install, maintain, use and repair one 6-inch diameter telecommunications conduit within a portion of Parcels 19 and 20 of Bay Division Pipelines No. 3 and 4 right of way, located on East Paseo Padre Parkway, at Ocaso Camino in Fremont, Alameda County at an annual permit fee of \$11,520.

33. Resolution No. 99-0089: Authorizing the General Manager of Public Utilities to execute a permit with Nextlink California, L.L.C., to install, maintain, use and repair one 6-inch diameter telecommunications conduit within a portion of Parcel 22A of Bay Division Pipelines No. 3 and 4 right of way, located on Paseo Padre Parkway, at Oakridge Drive and Durham Road in Fremont, Alameda County at an annual permit fee of \$7,872.

34. Resolution No. 99-0090: Authorizing the General Manager of Public Utilities to execute a permit with Nextlink California, L.L.C., to install, maintain, use and repair one 6-inch diameter telecommunications conduit within a portion of Parcel 34B of Bay Division Pipelines No. 3 and 4 right of way, located on Paseo Padre Parkway, at Tissiack Way in Fremont, Alameda County at an annual permit fee of \$7,680.

35. Resolution No. 99-0091: Authorizing the General Manager of Public Utilities to execute a permit with Nextlink California, L.L.C.. to install, maintain, use and repair one 6-inch diameter telecommunications conduit within a portion of Parcels 40A, 41A and 41B of Bay Division Pipelines No. 3 and 4 right of way, located on East Warren Avenue, 570 feet east of Fernald Street in Fremont, Alameda County at an annual permit fee of \$7,680.

CONSTRUCTION CONTRACTS

Advertise

36. Authorizing advertisement for proposals for Clean Water Program Contract No. CW-196.

Moved by Commissioner Normandy, seconded by Commissioner Cook to adopt Item 36; passed (5-0) unanimously.

Resolution No. 99-0092: Approving the final plans and specifications and authorizing advertisement for proposals for Clean Water Program Contract No. CW-196, Westside Transport Grit Flushing.

Moved by Commissioner Normandy, seconded by Commissioner Makras to adopt Items 37 through 40; passed (5-0) unanimously.

37. Resolution No. 99-0093: Re-approving the final plans and specifications for Clean Water Program Contract No. CW-211, 4th Avenue/10th Avenue/Anza Street/Cabrillo Street Sewer Replacement; and authorizing re-advertisement for bids.

38. Resolution No. 99-0094: Approving the final plans and specifications and authorizing advertisement for proposals for Clean Water Program Contract No. CW-212, Post/Grove/Potomac Streets Sewer Replacement.

39. Resolution No. 99-0095: Approving the final plans and specifications and authorizing advertisement for proposals for Clean Water Program Contract No. CW-213, Greenwich Street/Clement Street/Precita Avenue Sewer Replacement.

40. Resolution No. 99-0096: Approving the final plans and specifications and authorizing advertisement for proposals for Clean Water Program Contract No. CW-220, Third Street Sewer System Improvement Phase II.

41. Approving the final plans and specifications and authorizing advertisement for proposals for San Francisco Water Department Contract WD-2184, Crystal Springs Pipeline No. 1 Replacement from Brisbane to Daly City.

Moved by Commissioner Makras, seconded by Commissioner Normandy to adopt Item 41; passed (5-0) unanimously.

Resolution No. 99-0097: Approving the final plans and specifications and authorizing advertisement for proposals for San Francisco Water Department Contract WD-2184, Crystal Springs Pipeline No. 1 Replacement from Brisbane to Daly City.

42. Authorizing advertisement for proposals for San Francisco Water Department Contract WD-2277.

Moved by Commissioner Normandy, seconded by Commissioner Caen to adopt Item 42; passed (5-0) unanimously.

Resolution No. 99-0098: Approving the final plans and specifications and authorizing advertisement for proposals for San Francisco Water Department Contract WD-2277, Sunol Valley Water Treatment Plant Decant Sump Modification.

43. Rejecting the sole bid submitted for San Francisco Water Department Contract No. WD-2242; and authorizing re-advertisement for bids.

Moved by Commissioner Cook, seconded by Commissioner Makras to adopt Item 43; passed (5-0) unanimously.

Resolution No. 99-0099: Rejecting the sole bid submitted for San Francisco Water Department Contract No. WD-2242, Thomas Shaft Chlorination Facility Improvement, Phase 1, Emergency Disinfection Station; and authorizing re-advertisement for bids.

Amend

44. Approving Modification No. 1 to San Francisco Water Department Contract No. WD-2255.

Moved by Commissioner Cook, seconded by Commissioner Normandy to adopt Item 44; passed (5-0) unanimously.

Resolution No. 99-0100: Approving Modification No. 1 to San Francisco Water Department Contract No. WD-2255, Sunol Valley Water Treatment Plant Filter Console Modification, for an increase in the total contract amount by \$94,993 and 90 calendar day extension of time to complete work.

Close

Moved by Commissioner Makras, seconded by Commissioner Hom to adopt Items 45 through 48; passed (5-0) unanimously.

45. Resolution No. 99-0101: Accepting the work performed under Hetch Hetchy Contract WP-10, Protective Relay Installation Specification No. M031911; approving final Contract Modification in the credit amount of \$132.50 and approving final payment of \$49,462.81 to Tri-Technic, Inc.

46. Resolution No. 99-0102: Accepting the work performed for Hetch Hetchy Contract No. HH-883, Hetch Hetchy Water and Power Roofing Project; and approving final payment of \$5,000 to Pioneer Roofing Organization.

47. Resolution No. 99-0103: Accepting work performed for San Francisco Water Department Contract No. WD-2248, City Distribution Division Roof Replacement as satisfactorily complete; approving final contract modification in the decreased amount of \$11,994; approving final payment in the amount of \$85,841 to Pioneer Roofing Organization; and approving a 67 calendar day time extension for contract completion.

48. Resolution No. 99-0104: Accepting the work performed for Clean Water Program Contract No. CW-101, Post Street Sewer Replacement; approving contract modification in the debit amount of \$11,907; and approving final payment of \$19,607 to K. J. Woods Construction, Inc.

PROFESSIONAL SERVICE CONTRACTS

Advertise

49. Authorizing the Utilities Engineering Bureau to request proposals, interview, select and recommend qualified engineering firms for up to ten (10) separate agreements to provide as-needed specialized engineering and construction management services, each for a period of 24 months with a total spending authority of \$10 million.

Commissioner Makras requested that this item be continued to the call of the chair to see how this item relates to the Program Management Request for Proposals.

Moved by Commissioner Makras, seconded by Commissioner Normandy to continue Item 49 to the call of the chair; passed (5-0) unanimously.

Award

50. Authorizing the General Manager of Public Utilities to award and execute a contract for Legislative Representation and Advocacy services to Hooper, Owen, Gould & Winburn for a period of one year.

Commissioner Makras requested that this item be continued to the call of the chair to allow staff time to contact 30 City agencies and obtain a list of firms that provides lobbying services and use this information to rebid the legislative representation and advocacy services contract. Commissioner Normandy concurred with Commissioner Makras' concerns as to the effectiveness of the outreach; however, he was concerned of not having

legislative representation. Commissioner Cook suggested funding the contract for six months to allow staff time to make further attempts to solicit other bidders and re-advertise using Commissioner Makras' suggestion.

Moved by Commissioner Cook, seconded by Commissioner Makras to adopt Item 50 as amended; passed (5-0) unanimously.

Resolution No. 99-0105: Authorizing the General Manager of Public Utilities to award and execute a contract for Legislative Representation and Advocacy services to Hooper, Owen, Gould & Winburn for a period of six months.

Amend

51. Amending the existing agreement with Hydroconsult Engineers to provide hydraulic and hydrologic engineering services extending the term of the contract for two years at a cost not to exceed \$497,000.

Commissioner Cook stated that the current firm has been under contract since 1977 and that it has been a policy not to continually renew long term contracts without rebidding. Michele Pla stated that based on a survey done two years ago, there is currently still no firm capable of performing a combination of physical and computer modeling at the level of expertise and knowledge of the current firm. They are in the process of developing in-house expertise and currently have staff working with the consultants. Commissioner Makras suggested that the item be continued to the call of the chair in order to allow staff time to explore whether the contract could be split and determine if in-house expertise could be developed within the next two years.

Emeric Kalman inquired whether it is PUC or DPW's responsibility for maintaining as-built drawings of the sewer system. President Caen directed staff to respond to Mr. Kalman directly.

Moved by Commissioner Makras, seconded by Commissioner Normandy, to continue Item 51 to the call of the chair; passed (5-0) unanimously.

The Public Utilities Commission met in Closed Session from 4:05 p.m. to 5:40 p.m. to discuss the following matters:

CLOSED SESSION

52. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Anticipated Litigation: As Plaintiff and as Defendant

Property: 500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County.

Parties Negotiating: Nelson/Lymburn/Thompson/Malamut
City of Pleasanton

Under Negotiations: Terms and Conditions

No action was taken.

53. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):

Moved by Commissioner Makras, seconded by Commissioner Normandy to approve a settlement for Item 53; passed (5-0) unanimously.

Resolution No. 99-0106: Approving a settlement in the case of:
Karen Bradley v. CCSF, et. al., Superior Court No. 993-170.

54. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):

Moved by Commissioner Makras, seconded by Commissioner Hom to approve a settlement for Item 54; passed (5-0) unanimously.

Resolution No. 99-0107: Approving a settlement in the case of:
Marianne Nassrian Nilsen vs. Donald Karstedt, The San Francisco Water Department and the City and County of San Francisco, San Francisco Superior Court (Limited Jurisdiction) Number 158368.

55. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c):
Moved by Commissioner Hom, seconded by Commissioner Cook to approve a settlement
for Item 55; passed (5-0) unanimously.

Resolution No. 99-0108: Approving a settlement in the case of:
Claim of Michael Clarke v. SF Water Department, Claim
No. 99-01005

56. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c):
Anticipated Litigation: As Plaintiff
Regarding the State Water Resources Control Board
No action was taken.

57. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property: Hunters Point Naval Shipyard
Parties Negotiating: CCSF - Cohen/Warren/Moyer
US Navy
Under Negotiation: Lease in Furtherance of Conveyance (LIFOC) for the transfer of Hunter's Point Naval Shipyard to the City.

Item 57 was removed from the agenda.

58. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property: Balboa Reservoir Property at Phelan and Ocean Avenue
Parties Negotiating: CCSF - Dowd
Under Negotiation: San Francisco City College
Under Negotiation: Terms

No action was taken.

59. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property: 910 Larkspur Drive in Millbrae, CA
Parties Negotiating: CCSF - Dowd
Sam Grado
Under Negotiation: Terms

No action was taken.

60. Public Comments on matters to be discussed in Closed Session.

Tom Martinez, representing Assemblyman Lou Pappan, thanked the Commission for hearing Item 59.

Regarding Item 59, Sam Grado urged the Commission to approve abandonment of PUC pipeline easement on the subject property.

61. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

Moved by Commissioner Normandy, seconded by Commissioner Cook to assert the attorney-client privilege; passed (5-0) unanimously.

The Public Utilities Commission reconvened in open session at 5:41 p.m.

62. Announcement following Closed Session.

President Caen announced the actions taken during the Closed Session.

63. Motion regarding whether to disclose the discussions during Closed Session.

Moved by Commissioner Normandy, seconded by Commissioner Cook not to disclose the discussion during the Closed Session; passed (5-0) unanimously.

Thereupon, the meeting was adjourned: 5:43 p.m.

Lorna T. Navarro
Acting Secretary

AGENDA

PUBLIC UTILITIES COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

REGULAR MEETING

April 27, 1999
1:30 P.M.
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

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Ann Moller Caen, President
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E. Dennis Normandy
Victor G. Makras
Ben L. Hom

DEPARTMENTS

Water Department
 City Distribution Division
 Water Supply & Treatment
Hetch Hetchy Water & Power
Clean Water Program
 Water Pollution Control

BUREAUS

Commercial Land Management
Customer Service
Environmental Regulation and Management
Finance
Management Information Systems
Personnel and Training
System Planning and Regulatory Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

Disability Access

The Public Utilities Commission meeting will be held in Room 400, City Hall, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA. The Commission meeting room is wheelchair accessible. The closest accessible BART station is the Civic Center Station at United Nations Plaza and Market Street. Accessible MUNI lines serving this location are: #42 Downtown Loop, and #71 Haight/Noriega and the F Line to Market and Van Ness and the Metro Stations at Van Ness and Market and at Civic Center. For information about MUNI accessible services call (415) 923-6142. There is accessible curbside parking adjacent to City Hall on Grove Street and Van Ness Avenue and in the vicinity of the Veterans Building at 401 Van Ness Avenue adjacent to Davies Hall and the War Memorial Complex.

The following services are available on request 48 hours prior to the meeting; except for Monday meetings, for which the deadline shall be 4:00 p.m. of the last business day of the preceding week: For American sign language interpreters or the use of a reader during a meeting, a sound enhancement system, and/or alternative formats of the agenda and minutes, please contact Romaine Boldridge at (415) 554-3165 or our TDD at (415) 554-3488 to make arrangements for the accommodation. Late requests will be honored, if possible.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the City accommodate these individuals. Individuals with chemical sensitivity or related disabilities should call our accessibility hotline at (415) 554-6060.

Know your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code)

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils, and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at (415) 554-4851.

San Francisco Lobbyist Ordinance

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance [SF Admin Code §16.520-16.534] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 1390 Market Street #801, San Francisco, CA 94102, telephone (415) 554-9510, fax (415) 703-0121 and web site <http://www.ci.sf.ca.us/ethics/>.

ORDER OF BUSINESS

1. Call to Order
2. Roll Call
3. Approval of Minutes
4. Communications
5. Introduction of Old/Ongoing Business by Commissioners
6. Introduction of New Business by Commissioners
7. Report of the General Manager
8. Public Comments

Members of the public may address the Commission on matters that are within the Commission's jurisdiction and are not on today's agenda.

THE FOLLOWING MATTERS BEFORE THE PUBLIC UTILITIES COMMISSION ARE RECOMMENDED FOR ACTION AS STATED, BY THE GENERAL MANAGER OF PUBLIC UTILITIES, AND CITY ATTORNEY WHERE APPLICABLE.

REGULAR BUSINESS

9. Public Hearing - To consider a revised Schedule of Rates and Charges to be charged by the San Francisco Water Enterprise for retail water service in San Francisco and suburban areas to be effective with meter readings made on or after July 1, 1999. (Laws)

10. Public Hearing - To consider a revised Schedule of Rates and Charges to be charged by the San Francisco Water Enterprise for water service to suburban resale customers. (Laws)

11. Public Hearing - To consider a revised Schedule of Rates and Charges to be charged by the Clean Water Enterprise for sewer service in San Francisco and adjacent suburban areas. (Laws)

LEASES AND PERMITS

12. Authorizing the General Manager of Public Utilities to execute a lease with Nextel Communications for approximately 875 square feet of land located on a portion of Parcel 65 of Sunol and Antonio lands in Alameda County to construct and maintain a 200 square feet communications facility at an annual rental rate of \$25,200. (Dowd)

13. Authorizing the General Manager of Public Utilities to execute a revocable permit with Pacific Gas & Electric Company to collect soil samples from the San Francisco Public Utilities Commission property located within a portion of the Peninsula watershed in the Crystal Springs Reservoir area in San Mateo. (Dowd)

14. Authorizing the General Manager of Public Utilities to execute a revocable permit with Ruiz Construction Company for the use of approximately 5,000 square feet of PUC property located on Cesar Chavez Street in San Francisco for temporary storage of construction material and debris. (Dowd)

CONSTRUCTION CONTRACTS

Advertise

15. Approving the final plans and specifications and authorizing advertisement for bids for Water Department Contract No. WD-2244, City Distribution Division, Replace Two 48-Inch Diameter University Mound Steel Pipes at Interstate 280. (Quan)
16. Approving the final plans and specifications and authorizing advertisement for bids for Water Department Contract No. WD-2293, Backup Power for Water Quality Monitoring Stations located at Alameda East Portal, Casey Quarry, and Baden Pump Station. (Quan)
17. Approving the final plans and specifications and authorizing advertisement for bids for Clean Water Program Contract No. CW-227, Southeast Water Pollution Control Plant Booster Pump Station Upgrade. (Quan)

CLOSED SESSION

18. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Anticipated Litigation: As Plaintiff and as Defendant

Property: 500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County.

Parties Negotiating: Lymburn/Thompson/Malamut

City of Pleasanton

Under Negotiations: Terms and Conditions

19. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property: Portions of Parcel 65 in Sunol, Alameda County

Parties Negotiating: CCSF - Dowd/Milstein

Lessee: Mission Valley Rock/RMC Lonestar

Under Negotiation: Price and Terms

20. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):
(Gutierrez)

Existing Litigation: Mary Devitt v. CCSF, San Mateo Superior Court No. 398-201.

21. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):
(Akwo)

Existing Litigation: General Accident Insurance Co. v. CCSF, San Francisco Superior
Court No. 996-820.

22. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):
(Clayton)

Existing Litigation: IFPTE, Local 21 v. PUC, Superior Court No. 301722

23. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):
(Clayton)

Existing Litigation: Bay Delta Hearings before the State Water Resources Control
Board

24. Public Comments on matters to be discussed in Closed Session.

25. Motion on whether to assert the attorney-client privilege regarding the matters listed above
as Conference with Legal Counsel.

THE PUBLIC UTILITIES COMMISSION WILL GO INTO CLOSED SESSION TO
DISCUSS ABOVE LISTED CLOSED SESSION MATTERS.

FOLLOWING THE CLOSED SESSION, THE PUBLIC UTILITIES COMMISSION WILL
RECONVENE IN PUBLIC SESSION.

26. Announcement following Closed Session.
27. Motion regarding whether to disclose the discussions during Closed Session.

ADJOURNMENT

City and County of San Francisco
Public Utilities Commission
1155 Market Street, 4th Floor
San Francisco, CA 94103

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MINUTES

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

REGULAR MEETING

April 27, 1999
1:30 P.M.
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

DOCUMENTS DEPT.

COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras
Ben L. Hom

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Hetch Hetchy
Clean Water Program
 Water Pollution Control

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Customer Service
Environmental Regulation and Management
Finance
Management Information Systems
Personnel and Training
System Planning and Regulatory Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

1. Call to Order: 1:38 P.M.
2. Roll Call:
Present - President Ann Moller Caen, Vice President Frank L. Cook, Commissioner Victor G. Makras, Commissioner Ben L. Hom

Excused - Commissioner E. Dennis Normandy

3. Approval of Minutes

Commissioner Makras requested that the Minutes of April 13, 1999 be amended to include his comments on item number 27 regarding the risk factor associated with the commercial paper program and the potential for higher interest rates. Should there be a spiral of inflation, the City could be a net loser.

President Caen requested inclusion of her comments on the commercial paper program that interest rates may move in either direction.

Moved by Commissioner Hom, seconded by Commissioner Cook, to approve the Minutes of the Regular Meeting of April 13, 1999, as amended, passed (4-0) unanimously.

4. Communications

No action was taken.

5. Introduction of Old/Ongoing Business by Commissioners

Commissioner Makras made an observation with respect to contracting for engineering services. At the last meeting on April 13, 1999, the department brought forward a proposal for five \$2 million contracts. A previous item for program management services tied to the capital program did not have a dollar amount attached to it, yet Local 21 chose to file a lawsuit against it, but chose not to file an action on \$10 million worth of similar work. He expressed his opinion that the \$10 million program had the potential for a stronger case because the program management item has many safety valves such as training programs and employment development.

Both items were continued. Commissioner Makras urged the Commission to look at the checks and balances on how we do business and the expected outcomes of these

projects. We do not want to proceed with any project that would have the same pitfalls as the one on which we are in litigation.

6. Introduction of New Business by Commissioners

Commissioner Hom inquired about the practice of the Commission regarding minority hiring for middle and upper management and whether there was a report. Mr. Moran replied that there is a quarterly disparity report and an annual report which is in preparation.

President Caen announced that General Manager Anson B. Moran was awarded the Customer Service Award by the Board of Supervisors on April 19, 1999.

President Caen complimented staff on the newly released Water Quality Report.

7. Report of the General Manager

There was no report.

8. Public comments on matters that were not on today's agenda.

Mr. Farris Smith, Water Pollution Control Division, referenced his comments made at the April 13, 1999 PUC meeting and stated that he had not received information on the status of the apprentice program. Mr. Moran stated that a response was being prepared.

REGULAR

Items 9, 10 and 11 were called together.

9. Public Hearing - To consider a revised Schedule of Rates and Charges to be charged by the San Francisco Water Enterprise for retail water service in San Francisco and suburban areas to be effective with meter readings made on or after July 1, 1999.
10. Public Hearing - To consider a revised Schedule of Rates and Charges to be charged by the San Francisco Water Enterprise for water service to suburban resale customers.
11. Public Hearing - To consider a revised Schedule of Rates and Charges to be charged by the Clean Water Enterprise for sewer service in San Francisco and adjacent suburban areas.

Mr. William Laws, Rate Administrator, presented the following four recommendations:

1. No adjustment in retail water rates is necessary for fiscal year 1999-2000.
2. A 35% increase is recommended for suburban resale customers, in accordance with the terms of the Settlement Agreement and the Master Water Sales Agreement.
3. Minor adjustments to miscellaneous fees and charges assessed by the Water Department.
4. No adjustment in sewer service charges is necessary for the fiscal year beginning July 1, 1999.

Mr. Laws discussed the expected revenues, expenses and year end balances for the Water Department and the Clean Water Program. Minor adjustments to miscellaneous fees and charges are proposed to bring the charges in line with the actual cost of providing the service. The returned check charge is recommended to be increased from \$15.00 to \$25.00, and the flow restriction installation fee for 5/8 to 1 inch meters is recommended to be increased from \$110.00 to \$125.00.

President Caen opened the public hearing.

Emeric Kalman stated that we have high quality water and do not need to spend hundreds of millions of dollars to design and build new facilities. He inquired as to when the bonds authorized by Propositions A and B would affect the rates. Mr. Moran replied that improvements funded by Propositions A and B would necessitate an increase over the life of the bonds of up to 18%. Those bonds have not been sold yet. The budget for next year includes a small amount of debt service for the first issue of bonds and/or commercial paper and does not require a rate increase.

Commissioner Makras spoke in favor of not increasing the miscellaneous fees and charges in keeping with the spirit of Proposition H. Mr. Moran stated that the City Attorney had drawn a distinction between rates and fees. The limitation of Proposition H does not apply to these fees which are intended to cover costs and are ancillary to provision of the commodity.

Commissioner Cook expressed concern regarding the potential for fraud through customers changing the name on their account. He urged caution in this area. Mr. John Mullane, Manager, Bureau of Customer Service, stated that a package of proposals to improve collections would be presented to the Commission at the next meeting which would address these concerns.

Moved by Commissioner Makras, seconded by Commissioner Hom to adopt Items 9, 10 and 11; passed (4-0) unanimously.

Resolution No. 99-0109: Adopting a revised Schedule of Rates and Charges to be charged by the San Francisco Water Enterprise for retail water service in San Francisco and suburban areas to be effective with meter readings made on or after July 1, 1999.

Resolution No. 99-0110: Adopting a revised Schedule of Rates and Charges to be charged by the San Francisco Water Enterprise for water service to suburban resale customers.

Resolution No. 99-0111: Adopting a revised Schedule of Rates and Charges to be charged by the Clean Water Enterprise for sewer service in San Francisco and adjacent suburban areas.

LEASES AND PERMITS

12. Authorizing the General Manager of Public Utilities to execute a lease with Nextel Communications for approximately 875 square feet of land located on a portion of Parcel 65 of Sunol and Antonio lands in Alameda County to construct and maintain a 200 square feet communications facility at an annual rental rate of \$25,200.

Commissioner Makras questioned the inclusion of special lease clauses regarding tenant's right to terminate and City's protection against interference. Garrett Dowd, Manager, Bureau of Commercial Land Management, responded that there has been an issue with cellular companies that there could be a ruling that would revoke their ability to operate and they would still be obligated to a 10-year lease. Commissioner Makras said that he could not support a right to terminate in 90 days.

Moved by Commissioner Makras, seconded by Commissioner Hom to continue this item to the call of the Chair; passed (4-0) unanimously.

Items 13 and 14 were considered together.

13. Authorizing the General Manager of Public Utilities to execute a revocable permit with Pacific Gas & Electric Company to collect soil samples from the San Francisco Public Utilities Commission property located within a portion of the Peninsula watershed in the Crystal Springs Reservoir area in San Mateo.

14. Authorizing the General Manager of Public Utilities to execute a revocable permit with Ruiz Construction Company for the use of approximately 5,000 square feet of PUC property located on Cesar Chavez Street in San Francisco for temporary storage of construction material and debris.

Regarding Item 14, Commissioner Cook inquired about the rental fee for the revocable permit with Ruiz Construction Company. Mr. Dowd replied that the property value was developed with the help of the Department of Real Estate. \$25.00 per square foot was used, which was considered high for this area which is heavily industrial. This property has limited use due to being on top of a sewer box that cannot be built upon. Mr. Dowd said that the standard formula was applied using a 20% discount off of fee value and a rate of return.

Commissioner Makras requested that the expiration date provision for notice to revoke the permit be a written notice.

Emeric Kalman opposed using City property for depositing debris.

Moved by Commissioner Makras, seconded by Commissioner Cook, to adopt Items 13 and 14; passed (4-0) unanimously.

Resolution No. 99-0112: Authorizing the General Manager of Public Utilities to execute a revocable permit with Pacific Gas & Electric Company to collect soil samples from the San Francisco Public Utilities Commission property located within a portion of the Peninsula watershed in the Crystal Springs Reservoir area in San Mateo.

Resolution No. 99-0113: Authorizing the General Manager of Public Utilities to execute a revocable permit with Ruiz Construction Company for the use of approximately 5,000 square feet of PUC property located on Cesar Chavez Street in San Francisco for temporary storage of construction material and debris.

CONSTRUCTION CONTRACTS

Advertise

15. Authorizing advertisement for bids for Water Department Contract No. WD-2244.

Moved by Commissioner Cook, seconded by Commissioner Hom, to adopt Item 15; passed (4-0) unanimously.

Resolution No. 99-0114: Approving the final plans and specifications and authorizing advertisement for bids for Water Department Contract No. WD-2244, City Distribution Division, Replace Two 48-Inch Diameter University Mound Steel Pipes at Interstate 280.

16. Authorizing advertisement for bids for Water Department Contract No. WD-2293.
Moved by Commissioner Cook, seconded by Commissioner Hom, to adopt Item 16; passed (4-0) unanimously.

Resolution No. 99-0115: Approving the final plans and specifications and authorizing advertisement for bids for Water Department Contract No. WD-2293, Backup Power for Water Quality Monitoring Stations located at Alameda East Portal, Casey Quarry, and Baden Pump Station.

17. Authorizing advertisement for bids for Clean Water Program Contract No. CW-227.
Moved by Commissioner Hom, seconded by Commissioner Cook, to adopt Item 17; passed (4-0) unanimously.

Resolution No. 99-0116: Approving the final plans and specifications and authorizing advertisement for bids for Clean Water Program Contract No. CW-227, Southeast Water Pollution Control Plant Booster Pump Station Upgrade.

CLOSED SESSION

18. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Anticipated Litigation: As Plaintiff and as Defendant
Property: 500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County.
Parties Negotiating: Lymburn/Thompson/Malamut
City of Pleasanton
Under Negotiation: Terms and Conditions

No action was taken.

19. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property: Portions of Parcel 65 in Sunol, Alameda County
Parties Negotiating: CCSF - Dowd/Milstein
Lessee: Mission Valley Rock/RMC Lonestar
Under Negotiation: Price and Terms

No action was taken.

20. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):

Existing Litigation: Mary Devitt v. CCSF, San Mateo Superior Court No. 398-201.

No action was taken.

21. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):

Existing Litigation: General Accident Insurance Co. v. CCSF, San Francisco Superior Court No. 996-820.

No action was taken.

22. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):

Existing Litigation: IFPTE, Local 21 v. PUC, Superior Court No. 301722

No action was taken.

23. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):

Existing Litigation: Bay Delta Hearings before the State Water Resources Control Board

No action was taken.

24. Public Comments on matters to be discussed in Closed Session.

There were none.

25. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

Moved by Commissioner Cook, seconded by Commissioner Hom, to assert the attorney-client privilege; passed (4-0) unanimously.

The Public Utilities Commission met in Closed Session at 2:35 P.M. to discuss the above listed Closed Session items:

At 4:40 P.M., President Caen was excused. Vice President Cook presided.

At 4:53 P.M., the Commission reconvened in open session.

26. Announcement following Closed Session.

Romaine A. Boldridge, Commission Secretary, announced the actions taken during the Closed Session.

27. Motion regarding whether to disclose the discussions during Closed Session.

Moved by Commissioner Makras, seconded by Commissioner Hom, not to disclose the discussion during the Closed Session; passed (3-0) unanimously.

Thereupon, the meeting was adjourned: 4:55 P.M.

Romaine A. Boldridge
Secretary

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AGENDA

PUBLIC UTILITIES COMMISSION CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

SPECIAL MEETING

April 27, 1999

Immediately Following the 1:30 P.M. Regular Meeting
City Hall, Room 400

1 Dr. Carlton B. Goodlett Place

COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras
Ben L. Hom

DEPARTMENTS

Water Department
 City Distribution Division
 Water Supply & Treatment
 Hetch Hetchy Water & Power
Clean Water Program
 Water Pollution Control

BUREAUS

Commercial Land Management
Customer Service
Environmental Regulation and Management
Finance
Management Information Systems
Personnel and Training
System Planning and Regulatory Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

Disability Access

The Public Utilities Commission meeting will be held in Room 400, City Hall, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA. The Commission meeting room is wheelchair accessible. The closest accessible BART station is the Civic Center Station at United Nations Plaza and Market Street. Accessible MUNI lines serving this location are: #42 Downtown Loop, and #71 Haight/Noriega and the F Line to Market and Van Ness and the Metro Stations at Van Ness and Market and at Civic Center. For information about MUNI accessible services call (415) 923-6142. There is accessible curbside parking adjacent to City Hall on Grove Street and Van Ness Avenue and in the vicinity of the Veterans Building at 401 Van Ness Avenue adjacent to Davies Hall and the War Memorial Complex.

The following services are available on request 48 hours prior to the meeting; except for Monday meetings, for which the deadline shall be 4:00 p.m. of the last business day of the preceding week: For American sign language interpreters or the use of a reader during a meeting, a sound enhancement system, and/or alternative formats of the agenda and minutes, please contact Romaine Boldridge at (415) 554-3165 or our TDD at (415) 554-3488 to make arrangements for the accommodation. Late requests will be honored, if possible.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the City accommodate these individuals. Individuals with chemical sensitivity or related disabilities should call our accessibility hotline at (415) 554-6060.

Know your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code)

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils, and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at (415) 554-4851.

San Francisco Lobbyist Ordinance

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance [SF Admin Code §16.520-16.534] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 1390 Market Street #801, San Francisco, CA 94102, telephone (415) 554-9510, fax (415) 703-0121 and web site <http://www.ci.sf.ca.us/ethics/>.

Disability Access

ORDER OF BUSINESS

1. Call to Order
2. Roll Call

THE FOLLOWING MATTERS BEFORE THE PUBLIC UTILITIES COMMISSION ARE RECOMMENDED FOR ACTION AS STATED, BY THE GENERAL MANAGER OF PUBLIC UTILITIES, AND CITY ATTORNEY WHERE APPLICABLE.

CLOSED SESSION

3. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property:	Hunters Point Naval Shipyard
Parties Negotiating:	CCSF - Cohen/Warren/Moyer
	US Navy
Under Negotiation:	Lease in Furtherance of Conveyance (LIFO) for the transfer of Hunters Point Naval Shipyard to the City.

4. Public Comments on matters to be discussed in Closed Session.
5. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

THE PUBLIC UTILITIES COMMISSION WILL GO INTO CLOSED SESSION TO DISCUSS ABOVE LISTED CLOSED SESSION MATTERS.

FOLLOWING THE CLOSED SESSION, THE PUBLIC UTILITIES COMMISSION WILL RECONVENE IN PUBLIC SESSION.

6. Announcement following Closed Session.
7. Motion regarding whether to disclose the discussions during Closed Session.

ADJOURNMENT

MINUTES

PUBLIC UTILITIES COMMISSION CITY AND COUNTY OF SAN FRANCISCO

**Willie L. Brown, Jr.
MAYOR**

SPECIAL MEETING

**April 27, 1999
Immediately Following the 1:30 P.M. Regular Meeting
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place**

COMMISSIONERS

**Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras
Ben L. Hom**

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DEPARTMENTS

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 City Distribution Division
 Water Supply & Treatment
Hetch Hetchy
Clean Water Program
 Water Pollution Control**

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Customer Service
Environmental Regulation and Management
Finance
Management Information Systems
Personnel and Training
System Planning and Regulatory Compliance
Utilities Engineering Bureau
Water Quality**

**Anson B. Moran
GENERAL MANAGER**

**Romaine A. Boldridge
SECRETARY**

Following Item No. 23 on the Regular Meeting Agenda, the Special Meeting Agenda was included in the Regular Meeting by Common Consent.

1. Call to Order: 2:30 P.M.
2. Roll Call:
Present - President Ann Moller Caen, Vice President Frank L. Cook, Commissioner Victor G. Makras, Commissioner Ben L. Hom

Excused - Commissioner E. Dennis Normandy

CLOSED SESSION

3. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property: Hunters Point Naval Shipyard
Parties Negotiating: CCSF - Cohen/Warren/Moyer
US Navy
Under Negotiation: Lease in Furtherance of Conveyance (LIFOC) for the transfer of Hunters Point Naval Shipyard to the City.

No action was taken.

4. Public Comments on matters to be discussed in Closed Session.

There were none.
5. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

Moved by Commissioner Cook, seconded by Commissioner Hom, to assert the attorney-client privilege; passed (4-0) unanimously.

The Public Utilities Commission met in Closed Session at 2:35 P.M. to discuss the above listed Closed Session items.

At 4:40 P.M., President Caen was excused. Vice President Cook presided.

At 4:53 P.M., The Commission reconvened in open session.

6. Announcement following Closed Session.

Romaine A. Boldridge, Commission Secretary, announced the actions taken during the Closed Session.

7. Motion regarding whether to disclose the discussions during Closed Session.

Moved by Commissioner Makras, seconded by Commissioner Hom, not to disclose the discussion during the Closed Session; passed (3-0) unanimously.

Thereupon, the meeting was adjourned: 4:55 P.M.

Romaine A. Boldridge
Secretary

AGENDA
PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

REGULAR MEETING

May 11, 1999
1:30 P.M.
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras
Ben L. Hom

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System Planning and Regulatory Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

For information contact the Commission Secretary at 554-3165.
Agendas and other information are available on the PUC web site:
www.ci.sf.ca.us/puc/

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ORDER OF BUSINESS

1. Call to Order
2. Roll Call
3. Approval of Minutes
4. Communications
5. Introduction of Old/Ongoing Business by Commissioners
6. Introduction of New Business by Commissioners
7. Report of the General Manager
8. Public Comments

Members of the public may address the Commission on matters that are within the Commission's jurisdiction and are not on today's agenda.

THE FOLLOWING MATTERS BEFORE THE PUBLIC UTILITIES COMMISSION ARE RECOMMENDED FOR ACTION AS STATED, BY THE GENERAL MANAGER OF PUBLIC UTILITIES, AND CITY ATTORNEY WHERE APPLICABLE.

REGULAR BUSINESS

9. Approving the expenditure of up to \$905,000 to cover the estimated cost to complete the Y2K Embedded System Compliance Program and specific remediation actions. (Olsen)
10. Informational presentation regarding the current status of delinquent bill collection activities by the Customer Service Bureau. (Mullane) 10 mins.
11. Authorizing the Customer Service Bureau to transmit to the Board of Supervisors a proposed amendment to the San Francisco Public Works Code concerning water and sewer liens. (Mullane)
12. Authorizing the write off of uncollectible delinquent accounts for closed water, sewer charge and utility tax charges in the amount of \$557,761.18. (Mullane)
13. Amending the Professional Services Contracting Policy to permit an exemption to the four year limit on "continuing" professional services contracts. (Moran)
14. Authorizing the General Manager of Hetch Hetchy Water & Power to extend the Energy Services Agreement with the State of California for one year for purchase of natural gas. (Klein)
15. Authorizing the General Manager of Public Utilities to execute an agreement with the Bay Area Rapid Transit District to provide the design and construction of energy-efficient maintenance improvements to the lighting system on the mezzanine level of Powell Street Station, at a cost not to exceed \$130,000. (Klein)

LEASES AND PERMITS

16. Authorizing the General Manager of Public Utilities to execute a Memorandum of Understanding with the Department of Recreation and Parks for use of the Reis Tract for the purpose of a Linear Park and for administering a Child Care Parcel. (Dowd)
17. Authorizing the General Manager of Public Utilities to execute a lease with Nextel Communications, for approximately 875 square feet of land on a portion of Parcel 65 of Sunol and San Antonio Lands in Alameda County to construct and maintain a 200 square feet communication service system facility for a term of ten years at an initial annual rental rate of \$25,200. (Dowd)
18. Authorizing the General Manager of Public Utilities to execute a lease with Gan Haw Ent., Inc. for approximately 12,197 square feet of PUC land located on BDPL No. 1 and 2, a portion of Parcel 1211 in the City of Fremont, Alameda County for use as playground area and parking lot with landscaping for a term of 10 years at an annual rental rate of \$7,903. (Dowd)
19. Authorizing the General Manager of Public Utilities to execute a lease with MVA Resources, Inc. for approximately 3,148 square feet of PUC land located on a portion of Parcel 57A of the San Andreas Pipeline right of way in San Francisco, California for vehicular access for a term of five years at an annual rental rate of \$28,800. (Dowd)

CONSTRUCTION CONTRACTS

Advertise

20. Approving the final plans and specifications and authorizing bid call for San Francisco Water Department Contract No. WD-2284, BDPL Nos. 1 and 2 Timber Trestle Repairs - Contract 5 of 5. (Quan)
21. Approving the final plans and specifications and authorizing bid call for Clean Water Program Contract No. CW-159, Sacramento Street Sewer Replacement. (Quan)

22. Approving the final plans and specifications and authorizing bid call for Clean Water Program Contract No. CW-230, Taber Place/Gough Street Sewer Replacement. (Quan)

Award

23. Awarding the San Francisco Water Department Contract WD-2239R, Town of Sunol Water System Improvement, Phase A, Auxiliary Domestic Water Tanks in the amount of \$292,475 to the lowest responsive bidder, Miller/Thompson Constructors, Inc. (Quan)

Amend

24. Amending San Francisco Water Department Contract No. WD-2231, Sunol Valley Water Treatment Plant Standby Power Modification; increasing the total contract amount by \$16,625 and extending time of completion for 152 calendar days. (Quan)

Close

25. Accepting the work performed under San Francisco Water Department Contract No. WD-2180, 6- and 8-Inch Ductile Iron Main Installation in Lakeshore Drive between Ocean Avenue and Berkshire Way; Huntington Drive, Country Club Drive between Ocean Avenue and Berkshire Way; Sloat Blvd. Between 37th and 39th Avenues; Brookhaven Lane between Huntington Drive and Country Club Drive; and Lancaster Lane between Country Club Drive and Lakeshore Drive as complete; and approving final payment of \$100 to the contractor, Ranger Pipelines, Inc. (Quan)
26. Accepting the work performed under San Francisco Water Department Contract No. WD-2192, 16-Inch Ductile Iron Main, 4-Inch Ductile Iron Service Pipe, and 10-Inch Steel Pipe Casing Installation in John Muir Drive from east of Skyline Boulevard to west of Skyline Boulevard as complete; approving credit modification No. 1 in the amount of \$3,682.07; and approving final payment of \$65 to the contractor, Trinet Construction. (Quan)

PROFESSIONAL SERVICE CONTRACTS

Award

27. Authorizing the Manager of Water Quality Bureau to negotiate and execute a professional services agreement with BioVir Laboratories for microbiological testing services for one year for a contract amount of \$150,000. (DeGraca)

CLOSED SESSION

28. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Anticipated Litigation: As Plaintiff and as Defendant

Property: 500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County.

Parties Negotiating: Lymburn/Thompson/Malamut
City of Pleasanton

Under Negotiations: Terms and Conditions

29. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property: Hunters Point Naval Shipyard

Parties Negotiating: CCSF - Cohen/Warren/Moyer
US Navy

Under Negotiation: Lease in Furtherance of Conveyance (LIFOC) for the transfer of Hunters Point Naval Shipyard to the City.

30. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a): (Mahoney/Simpson)

Existing Litigation: Yee v. City and County of San Francisco, Superior Court No. 980-740

31. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property: Portions of Parcel 65 in Sunol, Alameda County
Parties Negotiating: CCSF - Dowd/Milstein
Lessee: Mission Valley Rock/RMC Lonestar
Under Negotiation: Price and Terms

32. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a): (Parent)

Existing Litigation: City and County of San Francisco v. Kaiser Foundation Hospitals, San Mateo Superior Court Case No. 402690.

33. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a): (Gutierrez)

Existing Litigation: Mary Devitt v. CCSF, San Mateo Superior Court No. 398-201.

34. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a): (Akwo)

Existing Litigation: General Accident Insurance Co. v. CCSF, San Francisco Superior Court No. 996-820.

35. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a): (Clayton)

Existing Litigation: Victoria Mason v. CCSF, Claim No. 99-01405

36. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a): (Clayton)

Existing Litigation: Bay Delta Hearings before the State Water Resources Control Board.

37. Public Comments on matters to be discussed in Closed Session.
38. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

THE PUBLIC UTILITIES COMMISSION WILL GO INTO CLOSED SESSION TO DISCUSS ABOVE LISTED CLOSED SESSION MATTERS.

FOLLOWING THE CLOSED SESSION, THE PUBLIC UTILITIES COMMISSION WILL RECONVENE IN PUBLIC SESSION.

39. Announcement following Closed Session.

40. Motion regarding whether to disclose the discussions during Closed Session.

ADJOURNMENT

NOTICE OF PUBLIC HEARING

Notice is hereby given that the Public Utilities Commission of the City and County of San Francisco will conduct a public hearing on Tuesday, May 25, 1999 at 1:30 p.m. in Room 400, City Hall, 1 Dr. Carlton B. Goodlett Place, San Francisco, California to consider amending the Rules and Regulations Governing Water Service to Customers.

NOTICE OF PUBLIC HEARING

Notice is hereby given that the Public Utilities Commission of the City and County of San Francisco will hold a public hearing on Tuesday, June 8, 1999, at 1:30 p.m. in Room 400, City Hall, 1 Dr. Carlton B. Goodlett Place, San Francisco, California to consider findings in fact and judgment under Section 16.103 of the Charter of the City and County of San Francisco relating to the transfer of a total of \$39,850,000 to the general fund from Hetch Hetchy Water and Power.

City and County of San Francisco
Public Utilities Commission
1155 Market Street, 4th Floor
San Francisco, CA 94103

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MINUTES

PUBLIC UTILITIES COMMISSION CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

REGULAR MEETING

May 11, 1999
1:30 P.M.
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras
Ben L. Hom

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 Water Supply & Treatment
Hetch Hetchy
Clean Water Program
 Water Pollution Control

BUREAUS

Commercial Land Management
Customer Service
Finance
Management Information Systems
Personnel and Training
System Planning Environment and Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

1. Call to Order: 1:35 P.M.
2. Roll Call: Present - President Ann Moller Caen, Vice President Frank L. Cook, Commissioner E. Dennis Normandy, Commissioner Victor G. Makras, Commissioner Ben L. Hom

3. Approval of Minutes

Moved by Commissioner Hom, seconded by Commissioner Cook, to approve the Minutes of the Regular Meeting of April 27, 1999; passed (5-0) unanimously.

4. Communications

No action was taken.

5. Introduction of Old/Ongoing Business by Commissioners

Commissioner Makras noted that in the credit analysis report provided by Moody Investors Service it showed that PUC has a \$1.5 billion 10-year capital improvement program. He expressed concerns regarding the inconsistency of this amount with the previous amount of \$3.5 billion reported by staff. He expressed concerns that the inconsistency could reflect PUC's overall bond rating. He suggested that staff bring these numbers together to convey a more consistent and accurate message to the community and our bond raters.

6. Introduction of New Business by Commissioners

Commissioner Cook suggested that the monthly personnel report be condensed to show the vacancies in the department and the actions taken to fill those vacancies. The members of the Commission agreed with Commissioner Cook that a summary is sufficient.

7. Report of the General Manager

Carolyn Olsen, Assistant General Manager of Operations, gave a report in response to the article in The Independent regarding the emergency situation at the Oceanside Water Pollution Control Plant. She stated that when problems with the two waste gas burners at the plant were determined, staff immediately did the necessary interim repairs. With the declaration of an emergency made by the President of the Public Utilities Commission on March 19, 1999, staff was able to proceed and identified the

contractor to do the permanent improvements. She noted that the Southeast Water Pollution Control Plant also has similar gas burners which were replaced in 1996.

Anson B. Moran, General Manager of Public Utilities reported that two resolutions were introduced by the Board of Supervisors on Monday. One was a resolution that prohibits the inclusion of a new golf course as part of the watershed management plan, and the second resolution urges the Public Utilities Commission to help raise the water level at Lake Merced by seeking approval from the Department of Fish and Game and the Audubon Society.

8. Public comments on matters that were not on today's agenda.

There were none.

REGULAR

9. Approving the expenditure of up to \$1,020,700 for the Y2K Embedded System Compliance Program.

Carolyn Olsen noted that the cost estimate for the Y2K System Compliance Program was changed from \$3 million to \$1,020,700. Staff originally estimated \$3 million when they were finishing the inventory and going to the assessment phase. Ms. Olsen stated that the cost estimate was reduced due to two factors. During a third party assessment of PUC systems it was found that our equipment did not match any available databases and that doing our own assessment using our maintenance employees who are familiar with our equipment would be better for the department. The second factor is that much of PUC's equipment are so old or so new that they missed the window of non compliant items. She stated that, to this date, staff had identified only three items that need to be remediated for a total cost of \$28,000. She said that the assessment for mission critical components was not fully completed and there are other items that are not mission-critical but need to be tested.

Commissioner Makras requested a memo from staff indicating how much was spent for consultants and how much was spent for remediation. He stated that he wanted to know the ratio of studies and analysis that took our systems to compliance.

Moved by Commissioner Normandy, seconded by Commissioner Cook, to adopt Item 9; passed (5-0) unanimously.

Resolution No. 99-0117: Approving the expenditure of up to \$1,020,700 to cover the estimated cost to complete the Y2K Embedded System Compliance Program and specific remediation actions.

10. Informational presentation regarding the status of delinquent bill collection activities by the Customer Service Bureau.

John Mullane reported on the delinquency collection process. He stated that the department utilizes two ways to collect delinquent accounts. One is by shutting water off which is a method approved under the department's rules and regulations. The second one is to place a lien on the property which is authorized under the Department of Public Works Code. He further discussed the two processes at length.

Mr. Mullane noted that with the passage of three State legislative actions, AB 1770, and AB 486, and the "Isaac Decision", the department's ability to collect delinquent accounts weakened. AB 1770 does not allow us to place a lien on single family tenant occupied residences. He said 22,000 of our 160,000 accounts fell into that category. With AB 486 water and sewer liens became subordinate to other types of liens on a property. The Department is now resorting to the shut off process which is more costly to implement.

The department was proposing to take actions such as modifying the lien process so that when a property had been liened three times, an automatic shut off will be implemented; training our staff to get in the small claims business; working with the Recorder's Office to determine the value of the property; amending the lien ordinance to give Customer Service the authority to pass on delinquent accounts to the Tax Collector's Bureau of Delinquent Revenue.

Mr. Mullane indicated that staff would be submitting a request to modify the Department Rules and Regulations relating to security deposits. The amendments being proposed include extending the length of time that a deposit may be held; requiring identification such as social security card or California drivers license when opening an account; and paying interest on deposits.

Commissioner Makras expressed concerns with respect to obtaining social security numbers for tracking delinquent accounts and the risks associated with it such as fake identification. He said he wanted to weigh the gain versus the risk of using social security numbers. He suggested that staff return to the Commission with a recommendation.

11. Authorizing transmittal of proposed amendment to the San Francisco Public Works Code concerning water and sewer liens.

Moved by Commissioner Cook, seconded by Commissioner Normandy, to adopt Item 11; passed (5-0) unanimously.

Resolution No. 99-0118: Authorizing the Customer Service Bureau to transmit to the Board of Supervisors a proposed amendment to the San Francisco Public Works Code concerning water and sewer liens.

12. Authorizing the write off of uncollectible delinquent accounts for closed water, sewer and utility tax charges.

Moved by Commissioner Hom, seconded by Commissioner Normandy, to adopt Item 12; passed (5-0) unanimously.

Resolution No. 99-0119: Authorizing the write off of uncollectible delinquent accounts for closed water, sewer charge and utility tax charges in the amount of \$557,761.18.

13. Amending the Professional Services Contracting Policy.

Mr. Moran noted that the existing policy for continuing professional services contracts was to maintain professional relations with a contractor for a limited time of four years after which the contract needs to go out for bids. He stated that staff was proposing to amend the policy to permit an exemption for legal services and professional witnesses. He said ten contracts qualified in this category. These contracts would come to the Commission for approval as a part of the litigation plan for the year and on a case-by-case basis the Commission will decide whether it is an appropriate exemption.

Commissioner Cook requested that staff identify those contracts being recommended for exemption.

Moved by Commissioner Normandy, seconded by Commissioner Makras, to adopt Item 13; passed (5-0) unanimously.

Resolution No. 99-0120: Amending the Professional Services Contracting Policy to permit an exemption to the four-year limit on "continuing" professional services contracts.

14. Authorizing the General Manager of Hetch Hetchy Water & Power to extend the Energy Services Agreement with the State of California for one year for purchase of natural gas.

Lawrence T. Klein, General Manager of Hetch Hetchy Water & Power, presented the item.

Commissioner Cook moved, Commissioner Normandy seconded to adopt Item 14.

Commissioner Makras stated that he was not comfortable with the agenda item as it did not give other options to purchase gas supply from other than the State Department of General Services. He was concerned that the City was not getting any savings for this year's transaction. In prior years, the City was getting 7% to 13% savings.

Commissioner Cook and Commissioner Normandy withdrew their motion based on Commissioner Makras' premise to look at additional options.

Moved by Commissioner Cook, seconded by Commissioner Normandy, to continue Item 14 to the call of the Chair; passed (5-0) unanimously.

15. Authorizing an agreement with the Bay Area Rapid Transit District to design and construct energy-efficient maintenance improvements to the lighting system at Powell Street Station.

Moved by Commissioner Cook, seconded by Commissioner Hom, to adopt Item 15; passed (5-0) unanimously.

Resolution No. 99-0121: Authorizing the General Manager of Public Utilities to execute an agreement with the Bay Area Rapid Transit District to provide the design and construction of energy-efficient maintenance improvements to the lighting system on the mezzanine level of Powell Street Station, at a cost not to exceed \$130,000.

LEASES AND PERMITS

16. Authorizing the General Manager of Public Utilities to execute a Memorandum of Understanding with the Department of Recreation and Parks for use of the Reis Tract for the purpose of a Linear Park and for administering a Child Care Parcel.

President Caen announced that Item 16 would be continued.

Maria Sanders stated that she came to support the resolution and the Memorandum of Understanding and that she and those present for this item will speak about the item at the next meeting.

Moved by Commissioner Makras, seconded by Commissioner Cook, to continue Item 16 to the call of the Chair; passed (5-0) unanimously.

17. Authorizing a lease with Nextel Communications for approximately 875 square feet of land on a portion of Parcel 65 of Sunol and San Antonio Lands in Alameda County.

Commissioner Makras expressed concerns about the lease clause allowing lessee to terminate the lease with 90-day notice. He stated that he would support the item if the provision clearly requires them to lose their license before they can terminate the lease. Mr. Gary Dowd, Manager, Bureau of Commercial Land Management, stated that the actual clause clearly specified that requirement.

Moved by Commissioner Makras, seconded by Commissioner Hom, to adopt Item 17; passed (5-0) unanimously.

Resolution No. 99-0122: Authorizing the General Manager of Public Utilities to execute a lease with Nextel Communications, for approximately 875 square feet of land on a portion of Parcel 65 of Sunol and San Antonio Lands in Alameda County to construct and maintain a 200 square foot communication service system facility for a term of ten years at an initial annual rental rate of \$25,200.

18. Authorizing a lease with Gan Haw Ent., Inc. for approximately 12,197 square feet of PUC land located on BDPL No. 1 and 2, a portion of Parcel 1211 in the City of Fremont, Alameda County.

Moved by Commissioner Normandy, seconded by Commissioner Makras, to adopt Item 18; passed (5-0) unanimously.

Resolution No. 99-0123: Authorizing the General Manager of Public Utilities to execute a lease with Gan Haw Ent., Inc. for approximately 12,197 square feet of PUC land located on BDPL No. 1 and 2, a portion of Parcel 1211 in the City of Fremont, Alameda County for use as playground area and parking lot with landscaping for a term of 10 years at an annual rental rate of \$7,903.

19. Authorizing a lease with MVA Resources, Inc. for approximately 3,148 square feet of PUC land located on a portion of Parcel 57A of the San Andreas Pipeline right of way in San Francisco, California.

Mr. Dowd commented that this item was continued from a prior Commission meeting for staff to investigate the volume of business conducted at the above location. He said staff conducted the inquiries and the proposed rent is considered appropriate based on the inquiries and was not particularly tied to the volume of business being conducted at the location. He stated that the process followed by staff in calculating the rent was in line with prior practice based on comparable values and discount of those values by 20% in this instance.

Commissioner Makras noted that he believed that staff negotiated in the best interest of the City. However, he was voting against the item. He stated that he had reviewed the volume of sales data from this station and it showed that the sales had been historically low. He stated that he sees a potential higher rent value for the property. The lessee was planning to sublet the property and the business may substantially go up. He suggested negotiating the lease when the business is at its peak revenue to impose a higher rental rate.

Moved by Commissioner Cook, seconded by Commissioner Normandy, to adopt Item 19; passed (4-1). Commissioner Makras voted no.

Resolution No. 99-0124: Authorizing the General Manager of Public Utilities to execute a lease with MVA Resources, Inc. for approximately 3,148 square feet of PUC land located on a portion of Parcel 57A of the San Andreas Pipeline right of way in San Francisco, California for vehicular access for a term of five years at an annual rental rate of \$28,800.

CONSTRUCTION CONTRACTS

Advertise

On recommendation by President Caen, Items 20, 21 and 22 were considered together.

Commissioner Normandy moved, seconded by Commissioner Cook to adopt Items 20, 21 and 22; passed (5-0) unanimously.

20. Resolution No. 99-0125: Approving the final plans and specifications and authorizing bid call for San Francisco Water Department Contract No. WD-2284, BDPL Nos. 1 and 2 Timber Trestle Repairs - Contract 5 of 5.
21. Resolution No. 99-0126: Approving the final plans and specifications and authorizing bid call for Clean Water Program Contract No. CW-159, Sacramento Street Sewer Replacement.
22. Resolution No. 99-0127: Approving the final plans and specifications and authorizing bid call for Clean Water Program Contract No. CW-230, Taber Place/Gough Street Sewer Replacement.

Award

23. Awarding the San Francisco Water Department Contract No. WD-2239R to Miller/Thompson Constructors, Inc.

Moved by Commissioner Cook, seconded by Commissioner Normandy, to adopt Item 23; passed (5-0) unanimously.

Resolution No. 99-0128: Awarding the San Francisco Water Department Contract WD-2239R, Town of Sunol Water System Improvement, Phase A, Auxiliary Domestic Water Tanks in the amount of \$292,475 to the lowest responsive bidder, Miller/Thompson Constructors, Inc.

Amend

24. Amending San Francisco Water Department Contract No. WD-2231.

Moved by Commissioner Normandy, seconded by Commissioner Cook, to adopt Item 24; passed (5-0) unanimously.

Resolution No. 99-0129: Amending San Francisco Water Department Contract No. WD-2231, Sunol Valley Water Treatment Plant Standby Power Modification; increasing the total contract amount by \$16,625 and extending time of completion for 152 calendar days.

Close

Items 25 and 26 were considered together.

Commissioner Makras moved, seconded by Commissioner Hom, to adopt Items 25 and 26; passed (5-0) unanimously.

25. Resolution No. 99-0130: Accepting the work performed under San Francisco Water Department Contract No. WD-2180, 6- and 8-Inch Ductile Iron Main Installation in Lakeshore Drive between Ocean Avenue and Berkshire Way; Huntington Drive, Country Club Drive between Ocean Avenue and Berkshire Way; Sloat Blvd. Between 37th and 39th Avenues; Brookhaven Lane between Huntington Drive and Country Club Drive; and Lancaster Lane between Country Club Drive and Lakeshore Drive as complete; and approving final payment of \$100 to the contractor, Ranger Pipelines, Inc.

26. Resolution No. 99-0131: Accepting the work performed under San Francisco Water Department Contract No. WD-2192, 16-Inch Ductile Iron Main, 4-Inch Ductile Iron Service Pipe, and 10-Inch Steel Pipe Casing Installation in John Muir Drive from east of Skyline Boulevard to west of Skyline Boulevard as complete; approving credit modification No. 1 in the amount of \$3,682.07; and approving final payment of \$65 to the contractor, Trinet Construction.

PROFESSIONAL SERVICE CONTRACTS

Award

27. Authorizing a professional services agreement with BioVir Laboratories for microbiological testing services.

Moved by Commissioner Normandy, seconded by Commissioner Makras, to adopt Item 27; passed (5-0) unanimously.

Resolution No. 99-0132: Authorizing the Manager of Water Quality Bureau to negotiate and execute a professional services agreement with BioVir Laboratories for microbiological testing services for one year for a contract amount of \$150,000.

CLOSED SESSION

28. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Anticipated Litigation: As Plaintiff and as Defendant
Property: 500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County.
Parties Negotiating: Lymburn/Thompson/Malamut
Under Negotiations: City of Pleasanton
Terms and Conditions

No action was taken.

29. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property: Hunters Point Naval Shipyard
Parties Negotiating: CCSF - Cohen/Warren/Moyer
US Navy
Under Negotiation: Lease in Furtherance of Conveyance (LIFOC) for the transfer of Hunters Point Naval Shipyard to the City.

No action was taken.

30. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):

Existing Litigation: Yee v. City and County of San Francisco, Superior Court No. 980-740.

Moved by Commissioner Makras, seconded by Commissioner Normandy, to approve a settlement for Item 30; passed (5-0) unanimously.

Resolution No. 99-0133: Approving a settlement in the case of Yee v. City and County of San Francisco, Superior Court No. 980-740.

31. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property: Portions of Parcel 65 in Sunol, Alameda County

Parties Negotiating: CCSF - Dowd/Milstein

Lessee: Mission Valley Rock/RMC Lonestar

Under Negotiation: Price and Terms

No action was taken.

32. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):

Existing Litigation: City and County of San Francisco v. Kaiser Foundation Hospitals, San Mateo Superior Court Case No. 402690.

Moved by Commissioner Normandy, seconded by Commissioner Makras, to approve a settlement for Item 32; passed (5-0) unanimously.

Resolution No. 99-0134: Approving a settlement in the case of City and County of San Francisco v. Kaiser Foundation Hospitals, San Mateo Superior Court Case No. 402690.

33. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):

Existing Litigation: Mary Devitt v. CCSF, San Mateo Superior Court No. 398-201.

Moved by Commissioner Makras, seconded by Commissioner Hom, to approve a settlement for Item 33; passed (5-0) unanimously.

Resolution No. 99-0135: Approving a settlement in the case of Mary Devitt v. CCSF, San Mateo Superior Court No. 398-201.

34. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):

Existing Litigation: General Accident Insurance Co. v. CCSF, San Francisco Superior Court No. 996-820.

Moved by Commissioner Makras, seconded by Commissioner Hom, to approve a settlement for Item 34; passed (5-0) unanimously.

Resolution No. 99-0136: Approving a settlement in the case of General Accident Insurance Co. v. CCSF, San Francisco Superior Court No. 996-820.

35. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):

Existing Litigation: Victoria Mason v. CCSF, Claim No. 99-01405

Moved by Commissioner Cook, seconded by Commissioner Normandy, to adopt Item 35; passed (5-0) unanimously.

Resolution No. 99-0137: Approving a settlement in the case of Victoria Mason v. CCSF, Claim No. 99-01405.

36. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):

Existing Litigation: Bay Delta Hearings before the State Water Resources Control Board.

No action was taken.

37. Public Comments on matters to be discussed in Closed Session.

There were none.

38. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

Moved by Commissioner Normandy, seconded by Commissioner Cook, to assert the attorney-client privilege; passed (5-0) unanimously.

The Public Utilities Commission met in Closed Session at 2:44 P.M. to discuss the above listed Closed Session items.

President Caen was excused at 4:55 P.M.

At 5:00 P.M., the Public Utilities Commission reconvened in open session. Vice President Cook presided.

39. Announcement following Closed Session.

Romaine A. Boldridge, Commission Secretary, announced the actions taken during the Closed Session.

40. Motion regarding whether to disclose the discussions during Closed Session.

Moved by Commissioner Normandy, seconded by Commissioner Makras, not to disclose the discussion during the Closed Session; passed (3-0) unanimously.

Thereupon, the meeting was adjourned: 5:02 P.M.

Romaine A. Boldridge
Secretary

AGENDA
PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

/99
Willie L. Brown, Jr.
MAYOR

REGULAR MEETING

May 25, 1999
1:30 P.M.
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

COMMISSIONERS

99-05-21P01:10 F010

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras
Ben L. Hom

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MAY 21 1999

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DEPARTMENTS

Water Department
 City Distribution Division
 Water Supply & Treatment
Hetch Hetchy Water & Power
Clean Water Program
 Water Pollution Control

BUREAUS

Commercial Land Management
Customer Service
Finance
Management Information Systems
Personnel and Training
System Planning Environment and Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

Disability Access

The Public Utilities Commission meeting will be held in Room 400, City Hall, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA. The Commission meeting room is wheelchair accessible. The closest accessible BART station is the Civic Center Station at United Nations Plaza and Market Street. Accessible MUNI lines serving this location are: #42 Downtown Loop, and #71 Haight/Noriega and the F Line to Market and Van Ness and the Metro Stations at Van Ness and Market and at Civic Center. For information about MUNI accessible services call (415) 923-6142. There is accessible curbside parking adjacent to City Hall on Grove Street and Van Ness Avenue and in the vicinity of the Veterans Building at 401 Van Ness Avenue adjacent to Davies Hall and the War Memorial Complex.

The following services are available on request 48 hours prior to the meeting; except for Monday meetings, for which the deadline shall be 4:00 p.m. of the last business day of the preceding week: For American sign language interpreters or the use of a reader during a meeting, a sound enhancement system, and/or alternative formats of the agenda and minutes, please contact Romaine Boldridge at (415) 554-3165 or our TDD at (415) 554-3488 to make arrangements for the accommodation. Late requests will be honored, if possible.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the City accommodate these individuals. Individuals with chemical sensitivity or related disabilities should call our accessibility hotline at (415) 554-6060.

Know your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code)

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils, and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at (415) 554-4851.

San Francisco Lobbyist Ordinance

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance [SF Admin Code §16.520-16.534] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 1390 Market Street #801, San Francisco, CA 94102, telephone (415) 554-9510, fax (415) 703-0121 and web site <http://www.ci.sf.ca.us/ethics/>.

ORDER OF BUSINESS

1. Call to Order
2. Roll Call
3. Approval of Minutes
4. Communications
5. Introduction of Old/Ongoing Business by Commissioners
6. Introduction of New Business by Commissioners
7. Report of the General Manager
 - a. Suburban Water Rate Increase
8. Public Comments

Members of the public may address the Commission on matters that are within the Commission's jurisdiction and are not on today's agenda.

THE FOLLOWING MATTERS BEFORE THE PUBLIC UTILITIES COMMISSION ARE RECOMMENDED FOR ACTION AS STATED, BY THE GENERAL MANAGER OF PUBLIC UTILITIES, AND CITY ATTORNEY WHERE APPLICABLE.

REGULAR BUSINESS

9. Hearing to accept testimony regarding the effect on the bidding process of the employment of the PUC's former Bernal Project Manager by Toll Brothers, Inc.
10. Public Hearing - To consider amending the Rules and Regulations Governing Water Services to Customers. (Mullane)
11. Authorizing the Customer Service Bureau to transfer unclaimed credit balances on consumers closed accounts in the amount of \$31,419.47 to unappropriated surplus funds. (Mullane)
12. Requesting the Board of Supervisors to amend the City and County of San Francisco Municipal Code, Part II, Chapter 12A (Housing Code) to establish water conservation measures. (Mullane)
13. To present the Sunol Valley Water Treatment Plant Improvement Project (SIP) recommendations for the Phase 1 Detailed Design. 10 mins. (Mallett)
14. To present the Sunol Valley Water Treatment Plant Improvement Project (SIP) treatment process recommendations for the Future Facilities Plan. 10 mins. (Mallett)

LEASES AND PERMITS

15. Authorizing the General Manager of Public Utilities to approve a seven year lease with 2½ year option for approximately 16,460 square feet of office space and 600 square feet of storage space plus parking for the City and County of San Francisco at 1657 Rollins Road in Burlingame, California. (Dowd)

CONSTRUCTION CONTRACTS

Advertise

16. Approving the final plans and specifications and authorizing bid call for Clean Water Program Contract No. 147, Various Pump Stations Improvements-Contract 2 Sunnydale and Tennessee Street Pump Stations and the Islais Creek Transport/Storage Facilities. (Quan)
17. Approving the final plans and specifications and authorizing bid call for Clean Water Program Contract No. CW-157, Everglade/Victoria/Revere/Bridge View Sewer Replacement. (Quan)
18. Approving the final plans and specifications and authorizing bid call for Hetch Hetchy Water and Power Contract HH-836, Priest Reservoir Spillway and Outlet Tunnel Modifications. (Quan)
19. Approving the final plans and specifications and authorizing bid call for Hetch Hetchy Water and Power Contract HH-874, Hetch Hetchy Road - Storm Repair. (Quan)
20. Authorizing bid call for Hetch Hetchy Water and Power, Contract WP-16, Cherry Tunnel Rock Trap Rehabilitation. (Klein)

Award

21. Awarding Clean Water Program Contract No. CW-167, Grant Avenue/Chestnut Street Sewer Replacement, in the amount of \$309,280 to Harty Pipelines, Inc. (Quan)

Close

22. Accepting work performed for Clean Water Program Contract No. 1372N, Beach Street Sewer Replacement; approving final contract modification in the credit amount of \$6,404.60; and approving final payment in the amount of \$4,567.85 to the contractor, Esquivel Grading and Paving, Inc. (Quan)

CONSTRUCTION CONTRACTS (Continued)

23. Accepting final quantities and approving final payment for Hetch Hetchy Contract No. HH-841R, Hetch Hetchy Monitoring Improvements West. in the amount of \$72,841.15 to the contractor, Edward W. Scott Electric Co., Inc. (Quan)

PROFESSIONAL SERVICE CONTRACTS

Advertise

24. Authorizing the Manager of Utilities Engineering Bureau to negotiate and execute four professional service contracts to establish a pool of qualified specialty engineering consulting firms to provide specialized engineering services for the City Distribution Division's Reservoirs and Tanks Capital Projects. (Quan)

CLOSED SESSION

25. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Anticipated Litigation: As Plaintiff and as Defendant

Property: 500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County.

Parties Negotiating: Lymburn/Thompson/Malamut
City of Pleasanton

Under Negotiations: Terms and Conditions

26. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a): (Donovan)

Existing Litigation: University of California, Hastings College of Law v. CCSF, Superior Court No. 997534.

27. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):
(Clayton)

Existing Litigation: IFPTE, Local 21 v. PUC, Superior Court No. 301722

28. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):
(Clayton)

Existing Litigation: Bay Delta Hearings before the State Water Resources Control
Board.

29. Public Comments on matters to be discussed in Closed Session.

30. Motion on whether to assert the attorney-client privilege regarding the matters listed above
as Conference with Legal Counsel.

THE PUBLIC UTILITIES COMMISSION WILL GO INTO CLOSED SESSION TO
DISCUSS ABOVE LISTED CLOSED SESSION MATTERS.

FOLLOWING THE CLOSED SESSION, THE PUBLIC UTILITIES COMMISSION WILL
RECONVENE IN PUBLIC SESSION.

31. Announcement following Closed Session.

32. Motion regarding whether to disclose the discussions during Closed Session.

ADJOURNMENT

ADDENDUM TO PUBLIC UTILITIES COMMISSION AGENDA

City and County of San Francisco
Public Utilities Commission

1:30 P.M.
May 25, 1999
Room 400, City Hall
1 Dr. Carlton B. Goodlett Place

LEASES AND PERMITS

- 15.a. Authorizing the General Manager of Public Utilities to execute a Memorandum of Understanding with the Department of Recreation and Parks for the use of the Reis Tract for the purpose of a Linear Park and for administering a Child Care Parcel. (Dowd)

25/99
3

MINUTES

PUBLIC UTILITIES COMMISSION CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

REGULAR MEETING

May 25, 1999
1:30 P.M.
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

DOCUMENTS DEPT.

COMMISSIONERS

JUN 24 1999

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras
Ben L. Hom

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Management Information Systems
Personnel and Training
System Planning Environment and Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

1. Call to Order: 1:38 P.M.
2. Roll Call:
Present - President Ann Moller Caen, Vice President Frank L. Cook, Commissioner E. Dennis Normandy
Excused - Commissioner Victor G. Makras, Commissioner Ben L. Hom
3. Approval of Minutes

Moved by Commissioner Cook, seconded by Commissioner Normandy, to approve the Minutes of the Regular Meeting of May 11, 1999; passed (3-0) unanimously.
4. Communications

No action was taken.
5. Introduction of Old/Ongoing Business by Commissioners

No action was taken.
6. Introduction of New Business by Commissioners

Commissioner Normandy requested that staff prepare a resolution commending Mr. Alex Pitcher for his outstanding work as Manager of Public Affairs and Citizens Involvement for the Public Utilities Commission.

Vice President Cook reported that, at noon today, water was pumped into Lake Merced as part of the plan to raise the water level at the lake. He added that five million gallons of water per day will be released into the lake over the next three weeks.
7. Report of the General Manager

Anson B. Moran, General Manager of Public Utilities, reported that yesterday the Board of Supervisors adopted a resolution approving the rate increase for water service to suburban resale customers. Mr. Moran pointed out that the way in which the rate for suburban resale customers is set was the product of an agreement

entered into by the City and the Bay Area Water Users Association in 1984. He stated that the agreement was successful and productive in the conduct of our business and that of the suburban customers in setting rates and managing finances.

8. Public comments on matters that were not on today's agenda.

There were no public comments.

REGULAR

9. Hearing to accept testimony regarding the effect on the bidding process of the employment of the PUC's former Bernal Project Manager by Toll Brothers, Inc.

Michael O'Hara of Toll Brothers, Inc. read a letter from Mr. James Boyd, Vice President of Toll Brothers, Inc., California Division, regarding their hiring of Rick Nelson and his participation in the bid preparation for the Bernal Property.

President Caen asked Mr. O'Hara to clarify the last sentence of the first paragraph, "*As such, any of our Project Managers could be asked to participate in the bid preparation process if they have something to contribute.*" Mr. O'Hara stated that the first responsibility of project managers is the community assigned to them. He said it was not inconceivable that Mr. Nelson could be involved in some manner in the bid preparation. President Caen noted that Mr. Nelson has knowledge of the Bernal Project that other bidders do not have and that there may be a possibility of overlapping of Mr. Nelson's participation on the bid process. Mr. O'Hara stated that it is possible. He noted that Toll Brothers hired Mr. Nelson on his own merits to manage the Dublin Greene community.

Commissioner Normandy commented that the Commission had requested to put this matter on the agenda to avoid perceptions that there would be any favorable treatment given to any bidder given the unfortunate timing circumstance for a bidder to hire an employee who has been privy to materials discussed in Closed Session. He said there were certain things discussed in Closed Session that were not for public disclosure and will never be in a public domain. He asked staff whether they have advised all bidders that this matter was in today's PUC agenda to which Mr. Moran responded positively.

Mark Stice of Signature Properties, one of the qualified bidders for the Bernal property, commented that everyone involved in the process had the highest regard for Mr. Nelson. He stated that Signature Properties' concern was to have the appraisal of the property released to all qualified bidders prior to the acceptance of bids.

10. Public Hearing - To consider amending the Rules and Regulations Governing Water Services to Customers.

John Mullane, Manager of Customer Service Bureau, gave a presentation at the last meeting regarding amendments to the Rules and Regulations. Three amendments were recommended by staff: (1) extending the length of time that a deposit may be held when delinquencies occur; (2) requiring identification at the time an account is opened in the form of a Social Security card or California Drivers License Number; and (3) paying interest on a deposit. Mr. Mullane stated that at the last meeting the Commission expressed concerns about the use of Social Security numbers for identification purposes. He stated that based on the survey conducted by staff, major utilities in the Bay Area request, but do not require, a Social Security number. In lieu of a Social Security Number they accept a California Driver's License or a California Identification Card. He suggested three alternatives that the PUC may adopt: require the use of Social Security Number; request a Social Security number but accept either a California Drivers License or a California ID; or not require the Social Security number and just use either of the California IDs.

Commissioner Normandy stated that he supports the third option of not requiring a Social Security number. He suggested amending the resolution to add a fifth "whereas" clause stating that the Commission did not approve the option to require Social Security numbers for identification purposes.

Moved by Commissioner Normandy, seconded by Commissioner Cook, to adopt Item 10; passed (3-0) unanimously.

Resolution No. 99-0138: Amending the Rules and Regulations Governing Water Services to Customers.

11. Authorizing the transfer of \$31,419.47 unclaimed credit balances on consumers closed accounts to unappropriated surplus funds.

Moved by Commissioner Cook, seconded by Commissioner Normandy, to adopt Item 11; passed (3-0) unanimously.

Resolution No. 99-0139: Authorizing the Customer Service Bureau to transfer unclaimed credit balances on consumers closed accounts in the amount of \$31,419.47 to unappropriated surplus funds.

12. Requesting the Board of Supervisors to amend the City and County of San Francisco Municipal Code, Part II, Chapter 12A (Housing Code) to establish water conservation measures.

Item 12 was removed from the agenda.

13. To present the Sunol Valley Water Treatment Plant Improvement Project (SIP) recommendations for the Phase 1 Detailed Design.

Patty Mallett from the Bureau of System Planning Environment and Compliance gave a slide presentation regarding recommended Phase 1 improvements for the Sunol Valley Water Treatment Plant. Ms. Mallett noted that staff believed that the objectives of Phase 1A, to identify the necessary improvements to meet DHS compliance order, have been accomplished. She stated that the final conceptual engineering report would be submitted in the next few weeks. The detailed design work will start in June and is anticipated to be completed in December this year. Staff would be returning to the Commission in January 2000 to present the results of the detailed engineering design work and to brief the Commission regarding the results of the geotechnical work. Ms. Mallett indicated that staff would seek authorization for bid and award of the construction contract in the early part of year 2000 once the detailed design work is completed.

14. To present the Sunol Valley Water Treatment Plant Improvement Project (SIP) treatment process recommendations for the Future Facilities Plan.

Ms. Mallett also gave a slide presentation about the treatment process alternatives for future facilities in the Sunol Valley (Phase 2 of the Sunol Valley Water Treatment Plant Improvement Project). She reported that based on the work done to date on the water supply master plan and the capacity analysis, staff recommends the following treatment approach: treat all future water sources; plan for conventional treatment by constructing a direct filtration plant; add sedimentation basins as needed; maximize use of existing Sunol plant; and provide ozone for cryptosporidium control.

President Caen and Commissioner Normandy thanked staff for keeping the Commission apprised of the status of the project.

Commissioner Normandy noted that he had initially expressed concerns to staff about the Town Hall meeting on June 2 regarding construction and contracting opportunities and possible misconceptions from the public that the meeting relates to the Request for Proposals for Program Management Services. He stated that he was now convinced that the town hall meeting has no direct relationship to the Program Management Project. He commended staff for organizing the event.

LEASES AND PERMITS

15. Authorizing a seven year lease for approximately 16,460 square feet of office space and 600 square feet of storage space plus parking for the City and County of San Francisco at 1657 Rollins Road in Burlingame, California.

Moved by Commissioner Cook, seconded by Commissioner Normandy, to adopt Item 15; passed (3-0) unanimously.

Resolution No. 99-0140: Authorizing the General Manager of Public Utilities to approve a seven year lease with a 2½ year option for approximately 16,460 square feet of office space and 600 square feet of storage space plus parking for the City and County of San Francisco at 1657 Rollins Road in Burlingame, California.

15.a. Authorizing a Memorandum of Understanding with the Department of Recreation and Parks for the use of the Reis Tract for a Linear Park and for administering a Child Care Parcel.

Garrett Dowd, Manager of the Bureau of Commercial Land Management, described the terms of the Memorandum of Understanding with the Department of Parks & Recreation (Rec Park) for the use of the Reis Tract. He stated that in the MOU, PUC offered Rec Park to manage and administer the entire Reis Tract property for five years with the intention that the property would be transferred to Rec Park. At the end of five years, the PUC would have the opportunity to review whether Rec Park had met its obligations under the MOU before the jurisdictional transfer occurs. If Rec Park met its obligations, they will pay PUC for the property based on historical cost.

The following individuals commented in support of staff's recommendation: Fran Martin of the Visitacion Valley Greenway Project, Ann Seeman of the Friends of Visitacion Valley Parks, and Bruce Williams of the Trust for Public Lands.

Commissioner Cook commented that he was supportive of the MOU as far as the public use of the property; however, he was concerned with the permanent transfer of the public property at historical value. He also expressed concerns that the Day Care Center will make a profit regardless of whether Rec Park continues to operate it. Mr. Dowd stated that the Commission, in the past, has approved transfers of PUC properties to school districts and other entities. He also noted that most of Rec Park's improvements on the property will be costly and that was the reason Rec Park wanted assurance that the property would be transferred to them at a later date. Mr. Dowd stated that no profits are gained from the Day Care Center as funds collected go into the maintenance of the facility. President Caen stated that Rec Park would be investing a lot of money over the next five years and she feels that the land should revert to the organization that makes the investment in the property.

Commissioner Normandy stated that he concurred with the intended use of the property, but he shares Commissioner Cook's concerns regarding the jurisdictional transfer. He said he would support the resolution if there would be no automatic declaration of surplus and that the PUC reserves the right to decide the jurisdictional transfer after five years.

Moved by Commissioner Normandy, seconded by Commissioner Cook, to adopt Item 15.a.; passed (3-0) unanimously.

Resolution No. 99-0141: Authorizing the General Manager of Public Utilities to execute a Memorandum of Understanding with the Department of Recreation and Parks for the use of the Reis Tract for the purpose of a Linear Park and for administering a Child Care Parcel.

CONSTRUCTION CONTRACTS

Advertise

Moved by Commissioner Cook, seconded by Commissioner Normandy, to adopt Item Nos. 16 through 20; passed (3-0) unanimously.

16. Resolution No. 99-0142: Approving the final plans and specifications and authorizing bid call for Clean Water Program Contract No. 147, Various Pump Stations Improvements-Contract 2 Sunnydale and Tennessee Street Pump Stations and the Islais Creek Transport/Storage Facilities.

17. Resolution No. 99-0143: Approving the final plans and specifications and authorizing bid call for Clean Water Program Contract No. CW-157, Everglade/Victoria/Revere/Bridge View Sewer Replacement.

18. Resolution No. 99-0144: Approving the final plans and specifications and authorizing bid call for Hetch Hatchy Water and Power Contract HH-836, Priest Reservoir Spillway and Outlet Tunnel Modifications.

19. Resolution No. 99-0145: Approving the final plans and specifications and authorizing bid call for Hetch Hatchy Water and Power Contract HH-874, Hetch Hatchy Road - Storm Repair.

20. Resolution No. 99-0146: Authorizing bid call for Hetch Hatchy Water and Power, Contract WP-16, Cherry Tunnel Rock Trap Rehabilitation.

Award

21. Awarding Clean Water Program Contract No. CW-167.

Moved by Commissioner Normandy, seconded by Commissioner Cook, to adopt Item 21; passed (3-0) unanimously.

Resolution No. 99-0147: Awarding Clean Water Program Contract No. CW-167, Grant Avenue/Chestnut Street Sewer Replacement, subject to execution by the PUC General Manager and certification as to the availability of funds by the City Controller.

Close

Moved by Commissioner Normandy, seconded by Commissioner Cook, to adopt Item Nos. 22 and 23; passed (3-0) unanimously.

22. Resolution No. 99-0148: Accepting work performed for Clean Water Program Contract No. 1372N, Beach Street Sewer Replacement; approving final contract modification in the credit amount of \$6,404.60; and approving final payment in the amount of \$4,567.85 to the contractor, Esquivel Grading and Paving, Inc.

23. Resolution No. 99-0149: Accepting final quantities and approving final payment for Hetch Hetchy Contract No. HH-841R, Hetch Hetchy Monitoring Improvements West, in the amount of \$72,841.15 to the contractor, Edward W. Scott Electric Co., Inc.

PROFESSIONAL SERVICE CONTRACTS

Advertise

24. Authorizing four professional service contracts to establish a pool of engineering consulting firms to provide specialized engineering services for the City Distribution Division.

Karen Kubick, Project Manager for the City Distribution Division's Capital Improvement Program, showed overhead slides of tanks and reservoir facilities that require repair and seismic upgrades.

Commissioner Normandy asked how this project fits into the greater context of the Capital Improvement Program and should this be considered a piece meal approach to what was contemplated in the program management. Mr. Moran responded that this project was a part of the capital improvement program. He stated that since the Program Management Project does not include major design work, CDD's project will be done outside the program management structure. However, incidental smaller pieces of engineering work would be integrated into the Program Management Project.

Moved by Commissioner Cook, seconded by Commissioner Normandy, to adopt Item 24; passed (3-0) unanimously.

Resolution No. 99-0150: Authorizing the Manager of Utilities Engineering Bureau to negotiate and execute four professional service contracts to establish a pool of qualified specialty engineering consulting firms to provide specialized engineering services for the City Distribution Division's Reservoirs and Tanks Capital Projects.

CLOSED SESSION

25. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Anticipated Litigation: As Plaintiff and as Defendant
Property: 500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County.
Parties Negotiating: Lymburn/Thompson/Malamut
City of Pleasanton
Under Negotiations: Terms and Conditions

No action was taken.

26. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):

Existing Litigation: University of California, Hastings College of Law v. CCSF, Superior Court No. 997534.

No action was taken.

27. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):

Existing Litigation: IFPTE, Local 21 v. PUC, Superior Court No. 301722

No action was taken.

28. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):

Existing Litigation: Bay Delta Hearings before the State Water Resources Control Board.

No action was taken.

29. Public Comments on matters to be discussed in Closed Session.

Art Jensen, General Manager of the Bay Area Water Users Association, commented regarding Item 27. He expressed concerns about the implementation of the Capital Improvement Program and the progress being made on improving the reliability of the system that services the suburban customers.

30. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

Moved by Commissioner Normandy, seconded by Commissioner Cook, to assert the attorney-client privilege; passed (3-0) unanimously.

The Public Utilities Commission met in Closed Session at 3:07 P.M. to discuss the above listed Closed Session items.

At 4:47 P.M., the Public Utilities Commission reconvened in open session.

31. Announcement following Closed Session.

President Caen announced the actions taken during the Closed Session.

32. Motion regarding whether to disclose the discussions during Closed Session.

Moved by Commissioner Cook, seconded by Commissioner Normandy, not to disclose the discussion during the Closed Session; passed (3-0) unanimously.

Thereupon, the meeting was adjourned: 4:49 P.M.

Romaine A. Boldridge
Secretary

AGENDA
PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

DOCUMENTS DEPT.

Willie L. Brown, Jr.
MAYOR

JUN - 4 1999

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REGULAR MEETING

June 8, 1999

1:30 P.M.

City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

06-04-99A10:28 RCV'D

COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras
Ben L. Hom

DEPARTMENTS

Water Department
 City Distribution Division
 Water Supply & Treatment
Hetch Hetchy Water & Power
Clean Water Program
 Water Pollution Control

BUREAUS

Commercial Land Management
Customer Service
Finance
Management Information Systems
Personnel and Training
System Planning, Environment and Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

For information contact the Commission Secretary at 554-3165.
Agendas and other information are available on the PUC web site:
www.ci.sf.ca.us/puc/

Disability Access

The Public Utilities Commission meeting will be held in Room 400, City Hall, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA. The Commission meeting room is wheelchair accessible. The closest accessible BART station is the Civic Center Station at United Nations Plaza and Market Street. Accessible MUNI lines serving this location are: #42 Downtown Loop, and #71 Haight/Noriega and the F Line to Market and Van Ness and the Metro Stations at Van Ness and Market and at Civic Center. For information about MUNI accessible services call (415) 923-6142. There is accessible curbside parking adjacent to City Hall on Grove Street and Van Ness Avenue and in the vicinity of the Veterans Building at 401 Van Ness Avenue adjacent to Davies Hall and the War Memorial Complex.

The following services are available on request 48 hours prior to the meeting; except for Monday meetings, for which the deadline shall be 4:00 p.m. of the last business day of the preceding week: For American sign language interpreters or the use of a reader during a meeting, a sound enhancement system, and/or alternative formats of the agenda and minutes, please contact Romaine Boldridge at (415) 554-3165 or our TDD at (415) 554-3488 to make arrangements for the accommodation. Late requests will be honored, if possible.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the City accommodate these individuals. Individuals with chemical sensitivity or related disabilities should call our accessibility hotline at (415) 554-6060.

Know your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code)

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils, and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at (415) 554-4851.

San Francisco Lobbyist Ordinance

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance [SF Admin Code §16.520-16.534] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 1390 Market Street #801, San Francisco, CA 94102, telephone (415) 554-9510, fax (415) 703-0121 and web site <http://www.ci.sf.ca.us/ethics/>.

ORDER OF BUSINESS

1. Call to Order
2. Roll Call
3. Approval of Minutes
4. Communications
5. Introduction of Old/Ongoing Business by Commissioners
6. Introduction of New Business by Commissioners
7. Report of the General Manager
 - a. Association of Metropolitan Sewerage Agencies (AMSA) Award Presentation
(Pla)

8. Public Comments

Members of the public may address the Commission on matters that are within the Commission's jurisdiction and are not on today's agenda.

THE FOLLOWING MATTERS BEFORE THE PUBLIC UTILITIES COMMISSION ARE RECOMMENDED FOR ACTION AS STATED, BY THE GENERAL MANAGER OF PUBLIC UTILITIES, AND CITY ATTORNEY WHERE APPLICABLE.

REGULAR BUSINESS

9. Public Hearing - To consider findings in fact and judgment under Section 16.103 of the Charter of the City and County of San Francisco relating to the transfer of a total of \$39,850,000 to the general fund from Hetch Hetchy Water and Power. (Klein)
10. Authorizing the General Manager of Hetch Hetchy Water and Power to extend the Energy Services Agreement with the State of California for one year for purchase of natural gas. (Continued from the meeting of May 11, 1999). (Klein)
11. Presentation on Personnel Hiring Process. 10 min. (Bowman)
12. Presentation on San Francisco Integrated Water Resource Plan Alternative Water Resource Strategies. 10 min. (Williams)
13. Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission for Clean Water Program Contract No. CW-202E, 3rd Street Sewer System Improvements, Phase I Emergency; and requesting the Board of Supervisors to approve the expenditure of funds for emergency work. (Quan)

CONSTRUCTION CONTRACTS

Advertise

14. Approving the final plans and specifications and authorizing bid call for Hetch Hetchy Water & Power Contract HH-884, Rock River Lime Plant Improvements. (Quan)
15. Approving the final plans and specifications and authorizing bid call for Clean Water Program Contract No. CW-204, Southeast Water Pollution Control Plant - Building 062 Improvements. (Quan)

CONSTRUCTION CONTRACTS (Continued)

Award

16. Awarding San Francisco Water Department Contract No. WD-2133, Site and Building Improvements at the SFWD Millbrae Headquarters (Millbrae Shops Phase IIB) in the amount of \$864,246 to the lowest responsive and responsible bidder, Angotti & Reilly, Inc. (Quan)
17. Awarding San Francisco Water Department Contract No. WD-2179R2, Alemany Pump Station Standby Generator and Related Work in the amount of \$1,798,700 to the lowest responsive and responsible bidder, L.C. General Engineering and Construction. (Quan)

Close

18. Accepting work performed for Clean Water Program Contract No. CW-108, Tenth Avenue Sewer Replacement; approving contract modification No. 1 in the credit amount of \$20.00; and approving final payment for \$25,912 to Harty Pipelines. (Quan)

PROFESSIONAL SERVICE CONTRACTS

19. Presentation of the "Southeast Water Pollution Control Plant Anaerobic Digestion Upgrade Project", and the scope of work to upgrade the digesters to reduce odor emissions. 10 min. (Loiacono)

Advertise

20. Authorizing a Request for Proposals for a professional engineering firm to provide technical support for environmental review and advanced facilities planning for the Southeast Water Pollution Control Plant Anaerobic Digestion Upgrade Project, estimated cost \$1,000,000. (Loiacono)

PROFESSIONAL SERVICE CONTRACTS (Continued)

21. Authorizing the General Manager of Public Utilities to issue two Request for Proposals for multi-year contracts and to interview, select and recommend qualified professional consulting firms to support activities of the SFPUC's Coordinated Comprehensive Communications Program in the following areas:

- To provide general public affairs and communication consulting services (\$277,000 per year)
- To provide water pollution prevention education, public relations, advertising services and community outreach to comply with the City' NDPES permits (\$150,000 per year) (Dayonot/Medbery)

CLOSED SESSION

22. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Anticipated Litigation: As Plaintiff and as Defendant

Property: 500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County.

Parties Negotiating: Lymburn/Thompson/Malamut
City of Pleasanton

Under Negotiations: Terms and Conditions

23. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a): (Clayton)

Existing Litigation: IFPTE, Local 21 v. PUC, Superior Court No. 301722

24. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a): (Clayton)

Existing Litigation: Bay Delta Hearings before the State Water Resources Control Board.

25. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):
(Wong)

Existing Litigation: Transdyn/Cresci, JV vs. CCSF, Superior Court No. 996029.

26. Public Comments on matters to be discussed in Closed Session.

27. Motion on whether to assert the attorney-client privilege regarding the matters listed above
as Conference with Legal Counsel.

THE PUBLIC UTILITIES COMMISSION WILL GO INTO CLOSED SESSION TO
DISCUSS ABOVE LISTED CLOSED SESSION MATTERS.

FOLLOWING THE CLOSED SESSION, THE PUBLIC UTILITIES COMMISSION WILL
RECONVENE IN PUBLIC SESSION.

28. Announcement following Closed Session.

29. Motion regarding whether to disclose the discussions during Closed Session.

ADJOURNMENT

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Public Utilities Commission
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MINUTES

PUBLIC UTILITIES COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

REGULAR MEETING

June 8, 1999
1:30 P.M.
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

DOCUMENTS DEPT.

COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras
Ben L. Hom

JUL 19 1999

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DEPARTMENTS

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 Water Supply & Treatment
Hetch Hetchy
Clean Water Program
 Water Pollution Control

BUREAUS

Commercial Land Management
Customer Service
Finance
Management Information Systems
Personnel and Training
System Planning Environment and Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

1. Call to Order: 1:39 P.M.
2. Roll Call:

Present - President Ann Moller Caen, Commissioner E. Dennis Normandy, Commissioner Victor G. Makras, Commissioner Ben L. Hom

Excused - Vice President Frank L. Cook
3. Approval of Minutes

Moved by Commissioner Normandy, seconded by Commissioner Hom, to approve the Minutes of the Regular Meeting of May 25, 1999; passed (4-0) unanimously.
4. Communications

No action was taken.
5. Introduction of Old/Ongoing Business by Commissioners

Commissioner Normandy commended staff for the success of the town hall meeting held last week to encourage participation of minority and women contractors in PUC contracts. Commissioner Normandy suggested that staff continue the dialogue with the contractors.

Commissioner Makras requested that staff report on the status of claims against PG&E due to the power outage in the City in December 1998. He also requested that the report include recommendations on how PUC could take a more active role particularly in the electric industry deregulation, and whether PUC should represent San Franciscans on a statewide level concerning issues that affect them. Anson B. Moran, General Manager of Public Utilities, stated that staff was working with the City Attorney to pursue the filing of claims and damages for all City departments. The City Attorney's Office was proceeding to file a claim on behalf of San Francisco on the issue of electric service reliability within our service area. He said that staff would present a more detailed report at a future meeting.

Commissioner Normandy requested that the report also address issues such as the need for system redundancy and the decommissioning of the Hunter's Point Power Plant.

6. Introduction of New Business by Commissioners

There was no new business introduced by Commissioners.

7. Report of the General Manager

Suburban Customers

Mr. Moran reported that staff met this morning with San Mateo County Supervisors Mary Griffin and Michael Nevin on various concerns particularly water rates charged to suburban customers. Mr. Moran stated that staff would continue discussions with the San Mateo County Supervisors to make sure that there is an understanding on how the Public Utilities Commission conducts its business.

Commissioner Normandy suggested that staff initiate an outreach to PUC customers on the peninsula regarding setting of suburban water rates and working out long term solutions to their concerns.

AMSA Award

Steven Medbery, Manager, Bureau of System Planning, Environment and Compliance (SPEAC), reported that the Bureau of Water Pollution Control was awarded the *National Public Education Award in Printed Material Category* by the Association of Metropolitan Sewerage Agencies (AMSA). The award winning publication was intended to educate San Francisco residents on how to control pests with less toxic products. Mr. Medbery commended Paula Kehoe for her outstanding work on this project. The trophy was presented to the Commission.

8. Public comments on matters that were not on today's agenda.

Patricia Stillman, President of Save Our Sunol, and Timothy Such, consultant for Save our Sunol, commended Commissioner Normandy for his leadership and staff for their creativity in the discussions with Mission Valley Rock. They urged the Commission to continue the dialogue with Mission Valley Rock. Mr. Such suggested that there be a temporary moratorium on the granting of any leases until the team returns to the Commission with an assessment of the issues and that no leases would be let until the watershed environmental review and planning process is completed.

Emeric Kalman requested information on the status of completion of the Hetch Hetchy project and a list of capital improvement needs of the PUC. He inquired about the amount of water released into Lake Merced, the retail cost of the water, and the water quality in the lake.

REGULAR

9. Public Hearing regarding the transfer of a total of \$39,850,000 to the general fund from Hetch Hetchy Water and Power.

Lawrence T. Klein, General Manager of Hetch Hetchy Water & Power, noted that PUC was required under the San Francisco Charter to carry 25% of last year's operating maintenance expenditure as a reserve for contingency and anything in excess of the 25% may be transferred to the General Fund. If certain findings are made, the reserve could be reduced below 25%. Mr. Klein stated that after findings were made, staff was recommending \$39,850,000 as an appropriate transfer from Hetch Hetchy to the General Fund.

Emeric Kalman commented in opposition to the transfer of Hetch Hetchy revenues to the general fund as that money could be used for other capital improvement needs of the PUC. He said that the City should instead be looking into other sources of revenues and increasing the efficiency of City government. Mr. Klein responded that under the San Francisco Charter, Hetch Hetchy is a separate enterprise. Its revenues can not be commingled with the other enterprises in the PUC. We do not have the option of transferring funds to any other enterprise.

Commissioner Makras expressed his support for transferring the amount recommended by staff. He stated that he was confident that PUC met the findings that a surplus exist in the department, that there is no program unfunded, that if emergencies occur they could be addressed promptly and that it is prudent that if there is excess money in the system that it should go back to the ratepayers in San Francisco.

Commissioner Normandy commented it was not PUC's call to transfer surplus funds from power revenues to the General Fund. The PUC is restricted by the San Francisco Charter that we cannot use funds taken from power revenues to improve our water and sewer systems. He noted that this contribution to the general fund also benefits the rate payers of San Francisco by way of funding programs for the school, library, public health and other forms of services that the City provides.

Commissioner Makras noted that it is the Commission's thrust to look for additional sources of revenues. He stated that this enterprise is making big profits and producing a large surplus, and the larger the surplus we have means that we are doing our job.

Moved by Commissioner Makras, seconded by Commissioner Normandy to adopt Item 9; passed (4-0) unanimously.

Resolution No. 99-0151: Making findings in fact and judgment under Section 16.103 of the Charter of the City and County of San Francisco relating to the transfer of a total of \$39,850,000 to the general fund from Hetch Hetchy Water and Power.

10. Extending the Energy Services Agreement with the State of California for one year for purchase of natural gas. (Continued from the meeting of May 11, 1999).

Mr. Klein noted that the State's Department of General Services (DGS) has reduced its rates five times to PUC over the last 10 years by doubling the amount of gas served and maintaining its overhead rate. He reported that as directed by the Commission, staff looked into other options of procuring natural gas supply. Those options were to: (1) execute an agreement with the DGS; (2) use gas aggregators or brokers; (3) default to PG&E as commodity provider; and (4) revert to PG&E bundled service. Mr. Klein discussed each option. Option 2 would require a competitive bidding process and would take 500 to 600 hours of staff time, the cost of which would be borne solely by the City. The third option, PG&E's non-core commodity program is closed and will not open until January of next year. If the Commission decides not to continue with DGS, we would revert to the "core service" provided by PG&E which is more expensive than "non-core rate" - a 13% to 15% increase in cost, approximately \$300,000.

Mr. Klein recommended extending the gas supply agreement with the State as there is no other pooling program available that provides the combination of risk mitigation, economies of scale and municipal orientation provided by the State's Natural Gas Supply Program. He noted that the agreement with DGS provides a 60-day window to cancel the contract should staff find better opportunities later.

Commissioner Makras inquired whether the City could bundle up as a big user and buy at a better rate so that we could give San Franciscans the discount. Mr. Klein responded that we could choose to do that but there is a small margin and significant overhead associated with it.

Marshall Clark, Manager of the Department of General Services Natural Gas Services Program, commented that DGS buys the gas commodity for participants in the program. The other part of the cost of gas is the transportation of gas to the delivery point. The commodity cost for non core and core are remarkably the same. The difference in price is the transportation rate charged by PG&E.

Moved by Commissioner Makras, seconded by Commissioner Normandy to adopt Item 10; passed (4-0) unanimously.

Resolution No. 99-0152: Authorizing the General Manager of Hetch Hetchy Water And Power to extend the Energy Services Agreement with The State of California for one year for purchase of natural Gas.

11. Presentation on Personnel Hiring Process.

Dorothy Bowman, Manager of Personnel & Training, gave a presentation using electronic slides concerning the status of personnel hiring at PUC as of May 31, 1999. Ms. Bowman reported that to date, 340 positions were filled; 212 represent promotions of current employees; and 128 are new hires. She stated that attrition continued to be at about 10%. She stated that the goal set in January 1999 to fill 424 positions before the end of this fiscal year might be reached by the end of the month.

Commissioner Normandy commended Ms. Bowman for her efforts in what he considered a quantum leap in the personnel hiring process.

Commissioner Hom requested information regarding minority employment at PUC.

12. Presentation on San Francisco Integrated Water Resource Plan Alternative Water Resource Strategies.

Mary Williams, Project Manager at the Utilities Engineering Bureau, gave a slide presentation regarding the portfolio of alternative water resources to meet San Francisco's demand for water. Those sources were surface water transfers, enhanced conservation, groundwater and recycled water. Ms. Williams discussed the characteristics, costs and responsiveness of each source to SFPUC goals and presented the issues surrounding their implementation.

Commissioner Makras was excused at 2:46 p.m.

13. Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission for Clean Water Program Contract No. CW-202E, 3rd Street Sewer System Improvements, Phase I Emergency.

Moved by Commissioner Normandy, seconded by Commissioner Hom to adopt Item 13; passed (3-0) unanimously.

Resolution No. 99-0153: Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission for Clean Water Program Contract No. CW-202E, 3rd Street Sewer System Improvements, Phase I Emergency; and requesting the Board of Supervisors to approve the expenditure of funds for emergency work.

CONSTRUCTION CONTRACTS

Advertise

Moved by Commissioner Normandy, seconded by Commissioner Hom to adopt Item Nos. 13 and 14; passed (3-0) unanimously.

14. Resolution No. 99-0154: Approving the final plans and specifications and authorizing bid call for Hetch Hetchy Water & Power Contract HH-884, Rock River Lime Plant Improvements.

15. Resolution No. 99-0155: Approving the final plans and specifications and authorizing bid call for Clean Water Program Contract No. CW-204, Southeast Water Pollution Control Plant – Building 062 Improvements.

Award

Moved by Commissioner Hom, seconded by Commissioner Normandy to adopt Item Nos. 16 and 17; passed (3-0) unanimously.

16. Resolution No. 99-0156: Awarding San Francisco Water Department Contract No. WD-2133, Site and Building Improvements at the SFWD Millbrae Headquarters (Millbrae Shops Phase IIB) in the amount of \$864,246 to the lowest responsive and responsible bidder, Angotti & Reilly, Inc.

17. Resolution No. 99-0157: Awarding San Francisco Water Department Contract No. WD-2179R2, Alemany Pump Station Standby Generator and Related Work in the amount of \$1,798,700 to the lowest responsive and responsible bidder, L.C. General Engineering and Construction.

Close

18. Accepting work performed for Clean Water Program Contract No. CW-108, Tenth Avenue Sewer Replacement.

Moved by Commissioner Hom, seconded by Commissioner Normandy, to adopt Item 18; passed (3-0) unanimously.

Resolution No. 99-0158: Accepting work performed for Clean Water Program Contract No. CW-108, Tenth Avenue Sewer Replacement; approving contract modification No. 1 in the credit amount of \$20.00; and approving final payment for \$25,912 to Harty Pipelines.

PROFESSIONAL SERVICE CONTRACTS

19. Presentation of the "Southeast Water Pollution Control Plant Anaerobic Digestion Upgrade Project", and the scope of work to upgrade the digesters to reduce odor emissions.

Mr. Jonathan Loiacono of the Bureau of Water Pollution Control gave a presentation using overhead slides regarding the Southeast Water Pollution Control Plant Anaerobic Digestion Upgrade Project. Mr. Loiacono stated that the Facilities Planning Study Report conducted for this project recommended the preferred alternative to construct five 2.5 mg low Egg-Shaped Digesters (ESDs). He discussed the various site options and estimated cost for each site using low ESDs. The site being recommended to build these digesters is at the Dryer Building Site, which is within the existing site parameter. It was recommended as the site is not being used and it would allow us to build the digester facility while we continue our existing operations. Construction at the Dryer building site would cost \$141 million.

Commissioner Normandy suggested involving the community in the evaluation of the preferred alternative.

Advertise

20. Authorizing a Request for Proposals for environmental review and advanced facilities planning for the Southeast Water Pollution Control Plant Anaerobic Digestion Upgrade Project.

Moved by Commissioner Normandy, seconded by Commissioner Hom to adopt Item 20; passed (3-0) unanimously.

Resolution No. 99-0159: Authorizing a Request for Proposals for a professional engineering firm to provide technical support for environmental review and advanced facilities planning for the Southeast Water Pollution Control Plant Anaerobic Digestion Upgrade Project, estimated cost \$1,000,000.

21. Authorizing issuance of a Request for Proposals to provide general public affairs and communication consulting services and to provide water pollution prevention education, public relations, advertising services and community outreach.

Art Jensen, General Manager of the Bay Area Water Users Association (BAWUA), suggested that the communications program also include suburban customers.

Moved by Commissioner Normandy, seconded by Commissioner Hom to adopt Item 21; passed (3-0) unanimously.

Resolution No. 99-0160: Authorizing the General Manager of Public Utilities to issue a Request for Proposals for multi-year contracts and to interview, select and recommend qualified professional consulting firms to support activities of the SFPUC's Coordinated Comprehensive Communications Program to provide general public affairs and communication consulting services (\$277,000 per year) and to provide water pollution prevention education, public relations, advertising services and community outreach to comply with the City's NPDES permits (\$150,000 per year).

Commissioner Makras returned at 3:15 P.M.

CLOSED SESSION

22. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Anticipated Litigation: As Plaintiff and as Defendant
Property: 500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County.
Parties Negotiating: Lymburn/Thompson/Malamut
City of Pleasanton
Under Negotiations: Terms and Conditions

No action was taken.

23. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):

Existing Litigation: IFPTE, Local 21 v. PUC, Superior Court No. 301722

No action was taken.

24. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):

Existing Litigation: Bay Delta Hearings before the State Water Resources Control Board.

No action was taken.

25. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):

Existing Litigation: Transdyn/Cresci, JV vs. CCSF, Superior Court No. 996029.

No action was taken.

26. Public Comments on matters to be discussed in Closed Session.

There were none.

27. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

Moved by Commissioner Normandy, seconded by Commissioner Hom to assert the attorney client privilege; passed (4-0) unanimously.

The Public Utilities Commission met in Closed Session at 3:17 P.M. to discuss the above listed Closed Session items.

At 4:40 p.m. Commissioner Horn was excused.

At 5:42 P.M., the Public Utilities Commission reconvened in open session.

28. Announcement following Closed Session.

President Caen announced the actions taken during the Closed Session.

29. Motion regarding whether to disclose the discussions during Closed Session.

Moved by Commissioner Normandy, seconded by Commissioner Makras, not to disclose the discussion during the Closed Session; passed (3-0) unanimously.

Thereupon, the meeting was adjourned: 5:43 P.M.

Romaine A. Boldridge
Secretary

AGENDA

PUBLIC UTILITIES COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

SPECIAL MEETING

June 15, 1999
1:00 P.M.
City Hall, Room 408
1 Dr. Carlton B. Goodlett Place

06-14-99P02:45 RCV

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COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras
Ben L. Hom

DEPARTMENTS

Water Department
 City Distribution Division
 Water Supply & Treatment
Hetch Hetchy Water & Power
Clean Water Program
 Water Pollution Control

BUREAUS

Commercial Land Management
Customer Service
Finance
Management Information Systems
Personnel and Training
System Planning Environment and Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

For information contact the Commission Secretary at 554-3165.
Agendas and other information are available on the PUC web site:
www.ci.sf.ca.us/puc/

Disability Access

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Know your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code)

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils, and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at (415) 554-4851.

San Francisco Lobbyist Ordinance

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ORDER OF BUSINESS

1. Call to Order
2. Roll Call

THE FOLLOWING MATTERS BEFORE THE PUBLIC UTILITIES COMMISSION ARE RECOMMENDED FOR ACTION AS STATED, BY THE GENERAL MANAGER OF PUBLIC UTILITIES, AND CITY ATTORNEY WHERE APPLICABLE.

CLOSED SESSION

3. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a): (Wong)

Existing Litigation: Transdyn/Cresci, JV vs. CCSF, Superior Court No. 996029.

4. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a): (Clayton)

Existing Litigation: Bay Delta Hearings before the State Water Resources Control Board.

5. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a) and Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c): (Clayton)

Existing Litigation: IFPTE, Local 21 v. PUC, Superior Court No. 301722

Anticipated Litigation: As Defendant

6. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Anticipated Litigation: As Plaintiff and as Defendant
Property: 500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County.
Parties Negotiating: Lymburn/Thompson/Malamut
City of Pleasanton
Under Negotiations: Terms and Conditions

7. Public Comments on matters to be discussed in Closed Session.
8. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

THE PUBLIC UTILITIES COMMISSION WILL GO INTO CLOSED SESSION TO DISCUSS ABOVE LISTED CLOSED SESSION MATTERS.

FOLLOWING THE CLOSED SESSION, THE PUBLIC UTILITIES COMMISSION WILL RECONVENE IN PUBLIC SESSION.

9. Announcement following Closed Session.
10. Motion regarding whether to disclose the discussions during Closed Session.

ADJOURNMENT

MINUTES

PUBLIC UTILITIES COMMISSION CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

SPECIAL MEETING

June 15, 1999
1:00 P.M.
City Hall, Room 408
1 Dr. Carlton B. Goodlett Place

COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras
Ben L. Hom

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DEPARTMENTS

Water Department
 City Distribution Division
 Water Supply & Treatment
Hetch Hetchy
Clean Water Program
 Water Pollution Control

BUREAUS

Commercial Land Management
Customer Service
Finance
Management Information Systems
Personnel and Training
System Planning Environment and Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Lorna T. Navarro
ACTING SECRETARY

1. Call to Order: 1:10 P.M.
2. Roll Call:
Present - President Ann Moller Caen, Vice President Frank L. Cook, Commissioner E. Dennis Normandy, Commissioner Victor G. Makras

Excused - Commissioner Ben L. Hom

Public Comment on a matter not in today's agenda.

Mr. Sam LeBlanc commented about the difficulty of finding a parking space in the vicinity of City Hall. President Caen advised him to address his concern with the Parking & Traffic Commission.

CLOSED SESSION

3. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):

Existing Litigation: Transdyn/Cresci, JV vs. CCSF, Superior Court No. 996029.

No action was taken.
4. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):

Existing Litigation: Bay Delta Hearings before the State Water Resources Control Board.

No action was taken.

5. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a) and Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c):

Existing Litigation: IFPTE, Local 21 v. PUC, Superior Court No. 301722
Anticipated Litigation: As Defendant

No action was taken.

6. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Anticipated Litigation: As Plaintiff and as Defendant

Property: 500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County.

Parties Negotiating: Lymburn/Thompson/Malamut
City of Pleasanton

Under Negotiations: Terms and Conditions

No action was taken.

7. Public Comments on matters to be discussed in Closed Session.

There were none.

8. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

Moved by Commissioner Normandy, seconded by Commissioner Cook, to assert the attorney-client privilege; passed (4-0) unanimously.

The Public Utilities Commission met in Closed Session at 1:17 P.M. to discuss the above listed Closed Session items.

At 4:10 P.M., the Public Utilities Commission reconvened in open session.

9. Announcement following Closed Session.

President Caen announced the actions taken during the Closed Session.

10. Motion regarding whether to disclose the discussions during Closed Session.

Moved by Commissioner Normandy, seconded by Commissioner Cook, not to disclose the discussion during the Closed Session; passed (4-0) unanimously.

Thereupon, the meeting was adjourned: 4:12 P.M.

Lorna T. Navarro
Acting Secretary

AGENDA
PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

2
2/99
Willie L. Brown, Jr.
MAYOR

REGULAR MEETING

June 22, 1999
1:30 P.M.
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

DOCUMENTS DEPT

COMMISSIONERS

JUN 18 1999

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras
Ben L. Hom

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Hetch Hetchy Water & Power
Clean Water Program
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BUREAUS

Commercial Land Management
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Romaine A. Boldridge
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ORDER OF BUSINESS

1. Call to Order
2. Roll Call
3. Approval of Minutes
4. Communications
5. Introduction of Old/Ongoing Business by Commissioners
6. Introduction of New Business by Commissioners
7. Report of the General Manager
 - a. Resolution honoring Alex L. Pitcher, Jr., Manager of Public Affairs and Citizens Involvement. (Moran)
8. Public Comments

Members of the public may address the Commission on matters that are within the Commission's jurisdiction and are not on today's agenda.

THE FOLLOWING MATTERS BEFORE THE PUBLIC UTILITIES COMMISSION ARE RECOMMENDED FOR ACTION AS STATED, BY THE GENERAL MANAGER OF PUBLIC UTILITIES, AND CITY ATTORNEY WHERE APPLICABLE.

REGULAR BUSINESS

9. Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission, and requesting the Mayor to recommend to the Board of Supervisors to approve a supplemental appropriation for \$350,000 to fund the emergency work to stabilize the landslide adjacent to the substation at Crystal Springs Pump Station. (Quan)
10. Requesting the Board of Supervisors to authorize the Public Utilities Commission to apply for and accept a State Revolving Fund Loan in an amount not to exceed \$50 million to reimburse expenditures on completed projects for the Clean Water Enterprise Capital Improvement Program. (Berry)

LEASES AND PERMITS

11. Authorizing the General Manager of Public Utilities to execute a permit with Nextlink, California, L.L.C., for the installation, maintenance, use and repair of a telecommunications conduit within a portion of Parcel 121 of Bay Division Pipeline Nos. 3 and 4 right-of-way, located in Milpitas, Santa Clara County for an annual permit of \$9,600. (Dowd)
12. Authorizing the General Manager of Public Utilities to execute a permit with Nextlink, California, L.L.C., for the installation, maintenance, use and repair of a telecommunications conduit within a portion of Parcel 9 of the former Muni Railway right-of-way, located in San Bruno, San Mateo County for an annual permit fee of \$4,800. (Dowd)
13. Authorizing the General Manager of Public Utilities to execute a permit with Level 3 Communications, L.L.C., for the installation, maintenance, use and repair of a telecommunications conduit within a portion of Parcel 123A of Bay Division Pipeline Nos. 3 and 4 right-of-way, located in San Jose, Santa Clara County for an annual permit fee of \$38,400. (Dowd)

14. Authorizing the General Manager of Public Utilities to execute a permit with Level 3 Communications, L.L.C., for the installation, maintenance, use and repair of a telecommunications conduit within a portion of Parcel 144 of Bay Division Pipeline Nos. 3 and 4 right-of-way, located in City of Santa Clara, Santa Clara County for an annual permit fee of \$38,400. (Dowd)
15. Authorizing the General Manager of Public Utilities to execute a lease with George West dba A-Sheet Metal, Inc. for approximately 8,195 sq. ft. of PUC land located on a portion of Parcel 1254(7) of Bay Division Pipeline Nos. 1 and 2 right of way in Newark, California for storage purposes for a term of five years at an annual rental rate of \$3,000.00. (Dowd)
16. Authorizing the General Manager of Public Utilities to execute a permit with Brian and Jean Butler, for the installation and maintenance of landscaping and fencing within a portion of SFPUC's sewer easement located on the northerly portion of Block 3088, Lot 18, in San Francisco for an annual permit fee of \$1,200. (Dowd)
17. Authorizing the General Manager of Public Utilities to execute a permit with Walter and Kathleen Capp for the installation, maintenance of landscaping and fencing within a portion of SFPUC's sewer right of way located on the southerly portion of Block 3088, Lot 18, in San Francisco. (Dowd)

CONSTRUCTION CONTRACTS

Advertise

18. Approving the final plans and specifications and authorizing bid call for San Francisco Water Department Contract WD-2214, 8-Inch Ductile Iron Main Installation in Broadway between Pierce Street and Steiner Street and between Fillmore Street and Van Ness Avenue. (Quan)
19. Approving the final plans and specifications and authorizing bid call for San Francisco Water Department Contract WD-2257, 8-Inch Ductile Iron Main Installation in Waller Street between Stanyan Street and Central Avenue. (Quan)

CONSTRUCTION CONTRACTS (Continued)

20. Approving the final plans and specifications and authorizing bid call for San Francisco Water Department Contract WD-2261, 8-Inch Ductile Iron Main Installation in California Street from Fillmore Street to Van Ness Avenue. (Quan)

Close

21. Accepting work performed for Clean Water Program Contract No. CW-121, Pine/California/Delancey Streets Sewer Replacement as completed, approving contract modification in the debit amount of \$24,264 for a new total of \$468,004; and approving final payment of \$59,268 to the contractor, Harty Pipelines, Inc. (Quan)

22. Accepting work performed for Clean Water Program Contract No. 1209N, Larkin/Greenwich Streets Sewer Replacement as completed; approving final contract modification in the credit amounts of \$586.00 for sewer work and \$25,490.05 for street renovation work; and approving final payments in the amount of \$18,948.20 for sewer work and \$11,526.94 for street renovation work for a total of \$30,475.14 to the contractor, K. J. Woods Construction, Inc. (Quan)

23. Accepting work performed for Clean Water Program Contract No. CW-139, Channel Pump Station Variable Speed Control Improvements as completed; approving contract modification in the debit amount of \$63,806 for a total contract amount of \$965,143; and approving final payment of \$63,806 to the contractor, Millard Tong Construction Co., Inc. (Quan)

24. Accepting work performed for Clean Water Program Contract No. CW-1223W, Islais Creek Public Access Improvement Project as completed; approving contract modification in the debit amount of \$21,474 for a total contract amount of \$1,675,087; and approving final payment of \$35,783 to the contractor, Stacy & Witbeck, Inc./Esquivel, Joint Venture. (Quan)

PROFESSIONAL SERVICE CONTRACTS

Advertise

25. Authorizing the Manager of Utilities Engineering Bureau to advertise a Request for Proposals for Program Management Services. (Williams)

26. Authorizing the Manager of Utilities Engineering Bureau to request proposals, interview, select and recommend qualified engineering firms for up to ten (10) separate agreements to provide specialized engineering and construction management services for specific capital improvement projects, each for a period of 24 months with a total spending authority of \$6,000,000. (Quan)

Award

27. Authorizing the Manager of Water Quality Bureau to negotiate and execute a professional service agreement with DMC Communications, Inc. to complete the development and implementation of a unified Laboratory Information Management System at a cost not to exceed \$300,000 over a thirty month period. (DeGraca)

Amend

28. To continue an existing relationship by amending the agreement with Duane, Morris and Heckscher LLP, increasing contract funding by \$525,000 for a contract total not to exceed \$1,869,793 and extending the term of the contract to June 30, 2000. (Klein)

29. To continue an existing relationship by amending the agreement with Daniel B. Steiner, Consulting Engineer, increasing contract funding by \$275,000 for a contract total not to exceed \$1,898,000 and extending the term of the contract to June 30, 2000. (Klein)

PROFESSIONAL SERVICE CONTRACTS (Continued)

30. To continue an existing relationship by amending the agreement with Hannaford Consulting, Inc. increasing contract funding by \$200,000 for a contract total not to exceed \$600,000 and extending the term of the contract to September 30, 2000. (Klein)
31. Authorizing the Manager of System Planning, Environment and Compliance (SPEAC) to extend the existing agreement with Hydroconsult Engineers to provide hydrologic and hydraulic engineering services for a term of two years at a cost not to exceed \$497,000. (Continued from the meeting of April 13, 1999). (Medbery)

CLOSED SESSION

32. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Anticipated Litigation:	As Plaintiff and as Defendant
Property:	500+acres of San Francisco Water Department property on Bernal Avenue in Alameda County.
Parties Negotiating:	Lymburn/Thompson/Malamut
Under Negotiation:	City of Pleasanton
	Terms and Conditions

33. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a): (Gutierrez)

Existing Litigation:	San Mateo Country Transit District v. CCSF, et al San Mateo Superior Court No. 403745
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34. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a) and Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c):
(Clayton)

Existing Litigation: IFPTE, Local 21 v. PUC, Superior Court No. 301722
Anticipated Litigation: As Defendant

35. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):
(Clayton)

Existing Litigation: Bay Delta Hearings before the State Water Resources Control Board.

36. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property: Hunters Point Naval Shipyard
Parties Negotiating: CCSF - Cohen/Warren/Moyer
US Navy
Under Negotiation: Lease in Furtherance of Conveyance (LIFOC) for the transfer of Hunters Point Naval Shipyard to the City.

37. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property: Portions of Parcel 65 in Sunol, Alameda County
Parties Negotiating: CCSF - Dowd/Milstein
Lessee: Mission Valley Rock/RMC Lonestar
Under Negotiation: Price and Terms

38. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property: 910 Larkspur Drive in Millbrae, CA
Parties Negotiating: CCSF - Dowd
Sam Grado
Under Negotiation: Terms

39. Public Comments on matters to be discussed in Closed Session.
40. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

THE PUBLIC UTILITIES COMMISSION WILL GO INTO CLOSED SESSION TO DISCUSS ABOVE LISTED CLOSED SESSION MATTERS.

FOLLOWING THE CLOSED SESSION, THE PUBLIC UTILITIES COMMISSION WILL RECONVENE IN PUBLIC SESSION.

41. Announcement following Closed Session.
42. Motion regarding whether to disclose the discussions during Closed Session.

ADJOURNMENT

NOTICE OF PUBLIC HEARING

Notice is hereby given that the Public Utilities Commission of the City and County of San Francisco will conduct a public hearing on Tuesday, July 13, 1999 at 1:30 p.m. in Room 400, City Hall, 1 Dr. Carlton B. Goodlett Place, San Francisco, California to consider amending the Rules and Regulations Governing Water Service to Customers.

MINUTES

PUBLIC UTILITIES COMMISSION CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

REGULAR MEETING

June 22, 1999
1:30 P.M.
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras
Ben L. Hom

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DEPARTMENTS

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 Water Supply & Treatment
Hetch Hetchy
Clean Water Program
 Water Pollution Control

BUREAUS

Commercial Land Management
Customer Service
Finance
Management Information Systems
Personnel and Training
System Planning Environment and Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

1. Call to Order: 1:33 P.M.
2. Roll Call: Present - President Ann Moller Caen, Vice President Frank L. Cook, Commissioner E. Dennis Normandy, Commissioner Victor G. Makras

Commissioner Ben L. Hom arrived at 1:40 P.M.

3. Approval of Minutes

Moved by Commissioner Makras, seconded by Commissioner Normandy, to approve the Minutes of the Special Meeting of June 15, 1999; passed (4-0) unanimously.

4. Communications

No action was taken.

5. Introduction of Old/Ongoing Business by Commissioners

No action was taken.

6. Introduction of New Business by Commissioners

Commissioner Makras inquired about the new information system the department was purchasing and presented a list of questions regarding details of the purchase.

Note: Commissioner Hom arrived at 1:40 p.m.

7. Report of the General Manager

- a. Resolution honoring Alex Pitcher.

Anson B. Moran, General Manager of Public Utilities, reported that he had recently learned that Alex Pitcher, Manager of Public Affairs and Citizens Involvement for the Public Utilities Commission, was retiring. Alex had a

distinguished career with the City and a fascinating and remarkable life. Mr. Moran asked the Commission Secretary, Romaine A. Boldridge to read the resolution in celebration of Alex Pitcher's life.

Nathan Ratner, member and former Chair of the Citizens Advisory Committee on Wastewater Management, and Jane Nurre, Vice-Chair and Secretary, related their positive experiences of working with Alex Pitcher on various City projects over the years.

By acclamation, the resolution honoring Alex Pitcher, Jr. was adopted (5-0) unanimously.

Resolution No. 99-0161: Commending Alex Pitcher, Jr. on the occasion of his retirement.

8. Public comments on matters that were not on today's agenda.

There were none.

REGULAR

9. Recommending approval of a supplemental appropriation to fund the emergency work at Crystal Springs Pump Station.

Moved by Commissioner Hom, seconded by Commissioner Normandy to adopt Item 9; passed (5-0) unanimously.

Resolution No. 99-0162: Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission, and requesting the Mayor to recommend to the Board of Supervisors to approve a supplemental appropriation for \$350,000 to fund the emergency work to stabilize the landslide adjacent to the substation at Crystal Springs Pump Station.

10. Authorizing the PUC to apply for a State Revolving Fund Loan not to exceed \$50 million for the Clean Water Enterprise Capital Improvement Program.

Moved by Commissioner Hom, seconded by Commissioner Normandy to adopt Item 10; passed (5-0) unanimously.

Resolution No. 99-0163: Requesting the Board of Supervisors to authorize the Public Utilities Commission to apply for and accept a State Revolving Fund Loan in an amount not to exceed \$50 million to reimburse expenditures on completed projects for the Clean Water Enterprise Capital Improvement Program.

LEASES AND PERMITS

Items 11, 12, 13 and 14 were called together.

Commissioner Makras moved, seconded by Commissioner Cook to adopt Items 11, 12, 13, and 14; passed (5-0) unanimously.

11. Resolution No. 99-0164: Authorizing the General Manager of Public Utilities to execute a permit with Nextlink, California, L.L.C., for the installation, maintenance, use and repair of a telecommunications conduit within a portion of Parcel 121 of Bay Division Pipeline Nos. 3 and 4 right-of-way, located in Milpitas, Santa Clara County for an annual permit of \$9,600.
12. Resolution No. 99-0165: Authorizing the General Manager of Public Utilities to execute a permit with Nextlink, California, L.L.C., for the installation, maintenance, use and repair of a telecommunications conduit within a portion of Parcel 9 of the former Muni Railway right-of-way, located in San Bruno, San Mateo County for an annual permit fee of \$4,800.
13. Resolution No. 99-0166: Authorizing the General Manager of Public Utilities to execute a permit with Level 3 Communications, L.L.C., for the installation, maintenance, use and repair of a telecommunications conduit within a portion of Parcel 123A of Bay Division Pipeline Nos. 3 and 4 right-of-way, located in San Jose, Santa Clara County for an annual permit fee of \$38,400.
14. Resolution No. 99-0167: Authorizing the General Manager of Public Utilities to execute a permit with Level 3 Communications, L.L.C., for the installation, maintenance, use and repair of a telecommunications conduit within a portion of Parcel 144 of

Bay Division Pipeline Nos. 3 and 4 right-of-way, located in City of Santa Clara, Santa Clara County for an annual permit fee of \$38,400.

15. Authorizing a lease with George West dba A-Sheet Metal, Inc.

Moved by Commissioner Cook, seconded by Commissioner Normandy, to adopt Item 15; passed (5-0) unanimously.

Resolution No. 99-0168: Authorizing the General Manager of Public Utilities to execute a lease with George West dba A-Sheet Metal, Inc. for approximately 8,195 sq. ft. of PUC land located on a portion of Parcel 1254(7) of Bay Division Pipeline Nos. 1 and 2 right of way in Newark, California for storage purposes for a term of five years at an annual rental rate of \$3,000.00.

Items 16 and 17 were called together.

Commissioner Makras remarked that this was a compromise for the land use. He said that under the circumstances, he felt it was appropriate after review of the records.

Moved by Commissioner Makras, seconded by Commissioner Hom, to adopt Items 16 and 17; passed (5-0) unanimously.

16. Resolution No. 99-0169: Authorizing the General Manager of Public Utilities to execute a permit with Brian and Jean Butler, for the installation and maintenance of landscaping and fencing within a portion of SFPUC's sewer easement located on the northerly portion of Block 3088, Lot 18, in San Francisco for an annual permit fee of \$1,200.

17. Resolution No. 99-0170: Authorizing the General Manager of Public Utilities to execute a permit with Walter and Kathleen Capp for the installation, maintenance of landscaping and fencing within a portion of SFPUC's sewer right of way located on the southerly portion of Block 3088, Lot 18, in San Francisco.

CONSTRUCTION CONTRACTS

Advertise

Items 18, 19, and 20 were called together.

Moved by Commissioner Makras, seconded by Commissioner Cook, to adopt Items 18, 19 and 20; passed (5-0) unanimously:

18. Resolution No. 99-0171: Approving the final plans and specifications and authorizing bid call for San Francisco Water Department Contract WD-2214, 8-Inch Ductile Iron Main Installation in Broadway between Pierce Street and Steiner Street and between Fillmore Street and Van Ness Avenue.
19. Resolution No. 99-0172: Approving the final plans and specifications and authorizing bid call for San Francisco Water Department Contract WD-2257, 8-Inch Ductile Iron Main Installation in Waller Street between Stanyan Street and Central Avenue.
20. Resolution No. 99-0173: Approving the final plans and specifications and authorizing bid call for San Francisco Water Department Contract WD-2261, 8-Inch Ductile Iron Main Installation in California Street from Fillmore Street to Van Ness Avenue.

Close

Items 21 and 22 were called together.

Commissioner Makras inquired about procedures when the contractor does not meet the MBE/WBE goals and whether additional work could be assigned to subcontractors within the same contract to meet the goals.

Moved by Commissioner Cook, seconded by Commissioner Hom, to adopt Items 21 and 22; passed (5-0) unanimously.

21. Resolution No. 99-0174: Accepting work performed for Clean Water Program Contract No. CW-121, Pine/California/Delancey Streets Sewer Replacement as completed, approving contract modification in the debit amount of \$24,264 for a new total of \$468,004; and approving final payment of \$59,268 to the contractor, Harty Pipelines, Inc.

22. Resolution No. 99-0175: Accepting work performed for Clean Water Program Contract No. 1209N, Larkin/Greenwich Streets Sewer Replacement as completed; approving final contract modification in the credit amounts of \$586.00 for sewer work and \$25,490.05 for street renovation work; and approving final payments in the amount of \$18,948.20 for sewer work and \$11,526.94 for street renovation work for a total of \$30,475.14 to the contractor, K. J. Woods Construction, Inc.

Moved by Commissioner Normandy, seconded by Commissioner Cook, to adopt Items 23 and 24; passed (5-0) unanimously.

23. Resolution No. 99-0176: Accepting work performed for Clean Water Program Contract No. CW-139, Channel Pump Station Variable Speed Control Improvements as completed; approving contract modification in the debit amount of \$63,806 for a total contract amount of \$965,143; and approving final payment of \$63,806 to the contractor, Millard Tong Construction Co., Inc.

24. Resolution No. 99-0177: Accepting work performed for Clean Water Program Contract No. CW-1223W, Islais Creek Public Access Improvement Project as completed; approving contract modification in the debit amount of \$21,474 for a total contract amount of \$1,675,087; and approving final payment of \$35,783 to the contractor, Stacy & Witbeck, Inc./Esquivel, Joint Venture.

PROFESSIONAL SERVICE CONTRACTS

Advertise

25. Authorizing the Manager of Utilities Engineering Bureau to advertise a Request for Proposals for Program Management Services.

Everett Hintze gave a presentation using electronic slides regarding the elements and objectives of the Program Management Project.

Mr. Hintze discussed the qualifications required of the program manager. Some of the qualifications he mentioned were that the PMC must possess 10 years experience as a program management consultant for public works programs of \$1 billion, have annual corporate revenues of \$100 million a year for the last 5 years; have reasonable understanding of water, clean water and Hetch Hetchy capital programs; have strong commitments to diversity; and possess the ability to respond to a changing scope of work.

Mr. Moran noted that the Civil Service Commission approved the RFP by a vote of 5-0.

Public Comments:

Richard Zaragoza, representing Parsons Corp., suggested changing the requirement for the PMC management team members to hold a current California professional license and instead require a current registration or a pending California license. He also suggested extending the page limitation for the written proposal to 50 pages instead of 25 pages.

Commissioner Makras expressed concerns about pending license and the security issue to the City if the individual did not get licensed at the time of award.

Arthur Jensen, General Manager of the Bay Area Water Users Association, commented in support of implementing the program as it is a good step in completing critical projects in the PUC.

Duane Reno, Attorney for Local 21, Professional and Technical Engineers, urged the Commission to delay the project until the City's Budget Analyst had determined that the work to be performed on this project could be performed by Civil Service employees at lesser costs.

Leslie Abbott of Local 21, commented that the process may either result in PUC taking control of the Capital Improvement Program using the expertise of PUC and DPW or relying too heavily on consultants. She stated that Local 21 prefers that PUC has control over the project; however, there seems to be insufficient in house management resources. She suggested beefing up of the internal management team and delaying action until these issues are addressed.

Jim Baker, Member of Local 21, and a Senior Architect in the Department of Public Works, suggested breaking the contract into four contracts for: (1) strategic planning advisor; (2) staff training and development; (3) short term management team; and (4) performance measurement.

Ruth Hobbs, Senior Vice President, O-Brien-Kreitzberg, expressed concerns that the minimum qualifications were overstated in the RFP; for example, the requirement that the principal partner must possess all the experience required in the work scope; and the required experience as a program management consultant for public works programs of \$1 Billion. She noted that their company does not provide design services and they intend to joint venture with a design company.

Jacqueline Besser, DAJA, Inc. also commented in opposition to requiring experience in \$1 billion projects as the cost of the project is only \$500 million dollars.

Jim Warren, Senior Vice President, EPC Consultants, suggested reducing the required years of management consulting experience to 5 years and reducing \$1 billion to \$500 million.

James Jefferson, Jefferson Co., commented that the required magnitude of projects participated in limit opportunities for minority, women and small business enterprise to participate as joint venture partners.

Leamon Abrams, Bechtel Corp, expressed concerns regarding revenues and experience required of the PMC. He urged that the corporate experience of an entire entity be considered in the qualification process.

Derf Butler, Butler Enterprise Group, also expressed concerns with the length and magnitude of experience required in the RFP.

Asbjorn Nysaether, CH2M Hill, inquired whether the RFP was still for a management type contract. Commissioner Normandy responded that the concept of the program was to beef up our own internal expertise and to augment our staff with private sector expertise in management.

Commissioner Normandy remarked that the Commission's vision for the program is that the program will pay for itself and save the City time and money; the public will have access to all information, staff would be augmented and provided potential for growth; minority contractors are augmented and provided opportunities to grow as prime contractors; and it is not business as usual.

Commissioner Normandy emphasized that the Commission wants to open the door to everyone and create a level playing field but it also has a fiscal and moral responsibility to decide which entity can do the best job for the City.

Commissioner Makras referred to a paragraph on page 19 under selection criteria, "The PMC must demonstrate a thorough understanding of SFPUC capital program objectives and the unique characteristics of PUC approach..." and requested staff to

describe the objectives and approach mentioned. Mr. Moran responded that the approach was centered on trying to do things, which is not business as usual. The program is geared to make sure that PUC staff has control and responsibility for the conduct of work. He stated that the RFP was different from ordinary engineering professional service contracts in that it provides project management skills and training to manage inter-related projects; it promotes a program in diversity and staff development program; it enables us to encourage small and minority firms participation in the PUC capital improvement program; and it provides staff with training to enhance their skills to carry on the capital program.

Commissioner Normandy requested the speakers to submit their comments in writing to the PUC General Manager by Friday, June 25, 1999. He suggested continuing the item to the next PUC meeting to consider comments from the Commission and the speakers.

Moved by Commissioner Normandy, seconded by Commissioner Hom to continue Item 25 to the next meeting of July 13, 1999; passed (5-0) unanimously.

26. Authorization to request for proposals and recommend qualified engineering firms to provide specialized engineering and construction management services.

Commissioner Makras remarked that he does not expect any additions to the contract and that if there were any, he would like to see it rebidded.

Commissioner Normandy suggested making sure that this project is coordinated with the management plan of the Program Management Consultant when the PMC contract is in place.

Moved by Commissioner Normandy, seconded by Commissioner Cook, to adopt Item 26; passed (5-0) unanimously.

Resolution No. 99-0178: Authorizing the Manager of Utilities Engineering Bureau to request proposals, interview, select and recommend qualified engineering firms for up to ten (10) separate agreements to provide specialized engineering and construction management services for specific capital improvement projects, each for a period of 24 months with a total spending authority of \$6,000,000.

Award

27. Authorizing a professional service agreement with DMC Communications, Inc.

Ms. Adriana Gross, Project Manager, stated that the item would allow DMC Communications, Inc. to assume the contract originally awarded to EcoAnalysis, Inc. who went out of business. Commissioner Cook raised concerns that a performance bond was not required on this contract to protect the City from default or non-performance of the contractor. Manoucher Boozarpour, stated that the City does not require bonding for professional services contracts, instead we retain 10% of the contract, and we pay the contractor for the work performed.

Commissioner Cook suggested requiring performance bonds on professional service contracts.

Commissioner Makras stated that he supports approval of the item as staff has demonstrated the necessity of the project and requested additional funds that were consistent with the original bid amount. He said continuing the contract with DMC Communications would be more beneficial to us as they already have knowledge of the project.

Moved by Commissioner Hom, seconded by Commissioner Makras, to adopt Item 27; passed (5-0) unanimously.

Resolution No. 99-0179: Authorizing the Manager of Water Quality Bureau to negotiate and execute a professional service agreement with DMC Communications, Inc. to complete the development and implementation of a unified Laboratory Information Management System at a cost not to exceed \$300,000 over a thirty month period.

The Commission deferred discussion of Items 28, 29 and 30 until after Closed Session.

31. Authorizing extension of an existing agreement with Hydroconsult Engineers to provide hydrologic and hydraulic engineering services. (Continued from the meeting of April 13, 1999).

Commissioner Markas stated that he supports approval of the item as staff had adequately addressed the necessity of the project as well as issues related to transition of knowledge and technology to staff.

Moved by Commissioner Makras, seconded by Commissioner Normandy to adopt Item 31; passed (5-0) unanimously.

Resolution No. 99-0180: Authorizing the Manager of System Planning, Environment and Compliance (SPEAC) to extend the existing agreement with Hydroconsult Engineers to provide hydrologic and hydraulic engineering services for a term of two years at a cost not to exceed \$497,000.

CLOSED SESSION

32. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Anticipated Litigation: As Plaintiff and as Defendant
Property: 500+acres of San Francisco Water Department property on Bernal Avenue in Alameda County.
Parties Negotiating: Lymburn/Thompson/Malamut
City of Pleasanton
Under Negotiation: Terms and Conditions

No action was taken.

33. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):

Existing Litigation: San Mateo Country Transit District v. CCSF, et al
San Mateo Superior Court No. 403745

Moved by Commissioner Makras, seconded by Commissioner Normandy to approve a settlement for Item 33; passed (3-0). Commissioners Hom and Cook were excused.

Resolution No. 99-0181: Recommending that the Board of Supervisors resolve and settle the claim in the case of San Mateo County Transit District v. CCSF, et.al., San Mateo Superior court No. 403745.

34. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a) and Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c):

Existing Litigation: IFPTE, Local 21 v. PUC, Superior Court No. 301722

Anticipated Litigation: As Defendant

No action was taken.

35. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):

Existing Litigation: Bay Delta Hearings before the State Water Resources Control Board.

No action was taken.

36. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property: Hunters Point Naval Shipyard

Parties Negotiating: CCSF - Cohen/Warren/Moyer
US Navy

Under Negotiation: Lease in Furtherance of Conveyance (LIFOC) for the transfer of Hunters Point Naval Shipyard to the City.

No action was taken.

37. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property: Portions of Parcel 65 in Sunol, Alameda County

Parties Negotiating: CCSF - Dowd/Milstein

Lessee: Mission Valley Rock/RMC Lonestar

Under Negotiation: Price and Terms

Item 37 was continued to July 13, 1999.

38. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property: 910 Larkspur Drive in Millbrae, CA
Parties Negotiating: CCSF - Dowd
Sam Grado
Under Negotiation: Terms

Item 38 was continued to the call of the Chair.

39. Public Comments on matters to be discussed in Closed Session.

There were none.

40. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

Moved by Commissioner Normandy, seconded by Commissioner Cook, to assert the attorney-client privilege; passed (5-0) unanimously.

The Public Utilities Commission met in Closed Session at 3:35 P.M. to discuss the above listed Closed Session items:

At 5:55 P.M., the Public Utilities Commission reconvened in open session. President Caen was excused. Vice President Cook presided.

41. Announcement following Closed Session.

Romaine A. Boldridge, Commission Secretary, announced the actions taken during the Closed Session.

42. Motion regarding whether to disclose the discussions during Closed Session.

Moved by Commissioner Normandy, seconded by Commissioner Hom, not to disclose the discussion during the Closed Session; passed (4-0) unanimously.

The Commission resumed discussion of the Regular Agenda and considered Items 28, 29 and 30 together.

Commissioner Normandy suggested extending the three contracts for six months from today to allow the Commission to evaluate the general contracting policy. Commissioner Makras stated that the funding approved for each contract should be the amount equivalent to 6 months of the amount recommended by staff.

Moved by Commissioner Normandy, seconded by Commissioner Hom to adopt Items 28, 29 and 30 as amended; (4-0) unanimously.

28. To continue an existing relationship by amending the agreement with Duane, Morris and Heckscher LLP, increasing contract funding by \$525,000 for a contract total not to exceed \$1,869,793 and extending the term of the contract to June 30, 2000.

Resolution No. 99-0182: To continue an existing relationship by amending the agreement with Duane, Morris and Heckscher LLP, increasing contract funding by \$262,500 for a contract total not to exceed \$1,607,293 and extending the term of the contract to December 31, 1999.

29. To continue an existing relationship by amending the agreement with Daniel B. Steiner, Consulting Engineer, increasing contract funding by \$275,000 for a contract total not to exceed \$1,898,000 and extending the term of the contract to June 30, 2000.

Resolution No. 99-0183: To continue an existing relationship by amending the agreement with Daniel B. Steiner, Consulting Engineer, increasing the contract funding by \$165,000 for a contract total not to exceed \$1,788,000 and extending the term of the contract to December 31, 1999.

30. To continue an existing relationship by amending the agreement with Hannaford Consulting, Inc. increasing contract funding by \$200,000 for a contract total not to exceed \$600,000 and extending the term of the contract to September 30, 2000.

Resolution No. 99-0184: To continue an existing relationship by amending the agreement with Hannaford Consulting, Inc. increasing contract funding by \$72,500 for a contract total not to exceed \$472,500 and extending the term of the contract to December 31, 1999.

Thereupon, the meeting was adjourned: 5:57 P.M.

Romaine A. Boldridge
Secretary

AGENDA

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Willie L. Brown, Jr.
MAYOR

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SPECIAL MEETING

July 1, 1999

5:00 P.M.

*City Hall, Room 408
1 Dr. Carlton B. Goodlett Place*

COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras
Ben L. Hom

DEPARTMENTS

Water Department
 City Distribution Division
 Water Supply & Treatment
Hetch Hetchy Water & Power
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Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

For information contact the Commission Secretary at 554-3165.
Agendas and other information are available on the PUC web site:
www.ci.sf.ca.us/puc/

Disability Access

The Public Utilities Commission meeting will be held in Room 408, City Hall, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA. The Commission meeting room is wheelchair accessible. The closest accessible BART station is the Civic Center Station at United Nations Plaza and Market Street. Accessible MUNI lines serving this location are: #42 Downtown Loop, and #71 Haight/Noriega and the F Line to Market and Van Ness and the Metro Stations at Van Ness and Market and at Civic Center. For information about MUNI accessible services call (415) 923-6142. There is accessible curbside parking adjacent to City Hall on Grove Street and Van Ness Avenue and in the vicinity of the Veterans Building at 401 Van Ness Avenue adjacent to Davies Hall and the War Memorial Complex.

The following services are available on request 48 hours prior to the meeting; except for Monday meetings, for which the deadline shall be 4:00 p.m. of the last business day of the preceding week: For American sign language interpreters or the use of a reader during a meeting, a sound enhancement system, and/or alternative formats of the agenda and minutes, please contact Romaine Boldridge at (415) 554-3165 or our TDD at (415) 554-3488 to make arrangements for the accommodation. Late requests will be honored, if possible.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the City accommodate these individuals. Individuals with chemical sensitivity or related disabilities should call our accessibility hotline at (415) 554-6060.

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Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils, and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at (415) 554-4851.

San Francisco Lobbyist Ordinance

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance [SF Admin Code §16.520-16.534] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 1390 Market Street #801, San Francisco, CA 94102, telephone (415) 554-9510, fax (415) 703-0121 and web site <http://www.ci.sf.ca.us/ethics/>.

ORDER OF BUSINESS

1. Call to Order

2. Roll Call

THE FOLLOWING MATTERS BEFORE THE PUBLIC UTILITIES COMMISSION ARE RECOMMENDED FOR ACTION AS STATED, BY THE GENERAL MANAGER OF PUBLIC UTILITIES, AND CITY ATTORNEY WHERE APPLICABLE.

CLOSED SESSION

3. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Anticipated Litigation: As Plaintiff and as Defendant

Property: 500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County.

Parties Negotiating: Nelson/Lymburn/Thompson/Malamut

City of Pleasanton

Under Negotiations: Terms and Conditions

4. Public Comments on matters to be discussed in Closed Session.

5. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

THE PUBLIC UTILITIES COMMISSION WILL GO INTO CLOSED SESSION TO DISCUSS ABOVE LISTED CLOSED SESSION MATTERS.

FOLLOWING THE CLOSED SESSION, THE PUBLIC UTILITIES COMMISSION WILL RECONVENE IN PUBLIC SESSION.

6. Announcement following Closed Session.
7. Motion regarding whether to disclose the discussions during Closed Session.

SPECIAL ORDER OF BUSINESS

8. Authorizing the General Manager of Public Utilities to issue to each of the qualified bidders on the Bernal Property a revocable permit for performance of environmental testing. (Moran)

ADJOURNMENT

MINUTES

PUBLIC UTILITIES COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

SPECIAL MEETING

July 1, 1999
5:00 P.M.
City Hall, Room 408
1 Dr. Carlton B. Goodlett Place

COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras
Ben L. Hom

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Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

The meeting was moved to Room 400 in City Hall.

1. Call to Order: 5:10 P.M.
2. Roll Call: Present - President Ann Moller Caen, Commissioner E. Dennis Normandy, Commissioner Ben L. Hom
Commissioner Victor G. Makras arrived at 5:45 P.M.
Excused - Vice President Frank L. Cook

CLOSED SESSION

3. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Anticipated Litigation: As Plaintiff and as Defendant
Property: 500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County.
Parties Negotiating: Nelson/Lymburn/Thompson/Malamut
City of Pleasanton
Under Negotiations: Terms and Conditions

No action was taken.

4. Public Comments on matters to be discussed in Closed Session.

There were none.

5. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

Moved by Commissioner Normandy, seconded by Commissioner Hom, to assert the attorney-client privilege; passed (3-0) unanimously. Commissioner Makras was absent.

The Public Utilities Commission met in Closed Session at 5:15 P.M. to discuss Item 3 listed in the Closed Session Agenda.

At 7:15 P.M., the Public Utilities Commission reconvened in open session.

6. Announcement following Closed Session.

President Caen announced the actions taken during the Closed Session.

7. Motion not to disclose the discussions during Closed Session.

Moved by Commissioner Normandy, seconded by Commissioner Hom, not to disclose the discussion during the Closed Session; passed (4-0) unanimously.

SPECIAL ORDER OF BUSINESS

8. Authorizing issuance of a revocable permit for performance of environmental testing to qualified bidders on the Bernal Property.

Moved by Commissioner Makras, seconded by Commissioner Normandy, to adopt Item 8; passed (4-0) unanimously.

Resolution No. 99-0185: Authorizing the General Manager of Public Utilities to issue to each of the qualified bidders on the Bernal Property, or their respective environmental consultants, a revocable permit for performance of environmental testing.

Thereupon, the meeting was adjourned: 7:16 P.M.

Romaine A. Boldridge
Secretary

AGENDA

PUBLIC UTILITIES COMMISSION CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

REGULAR MEETING

July 13, 1999
1:30 P.M.
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

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Frank L. Cook, Vice President
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Victor G. Makras
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Water Department
 City Distribution Division
 Water Supply & Treatment
Hetch Hetchy Water & Power
Clean Water Program
Water Pollution Control

BUREAUS

Commercial Land Management
Customer Service
Finance
Management Information Systems
Personnel and Training
System Planning Environment and Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

For information contact the Commission Secretary at 554-3165.
Agendas and other information are available on the PUC web site:
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Disability Access

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ORDER OF BUSINESS

1. Call to Order
2. Roll Call
3. Approval of Minutes
4. Communications
5. Introduction of Old/Ongoing Business by Commissioners
6. Introduction of New Business by Commissioners
7. Report of the General Manager
8. Public Comments

Members of the public may address the Commission on matters that are within the Commission's jurisdiction and are not on today's agenda.

THE FOLLOWING MATTERS BEFORE THE PUBLIC UTILITIES COMMISSION ARE RECOMMENDED FOR ACTION AS STATED, BY THE GENERAL MANAGER OF PUBLIC UTILITIES, AND CITY ATTORNEY WHERE APPLICABLE.

REGULAR BUSINESS

9. Public Hearing to consider amending the Public Utilities Commission's Rules and Regulations Governing Water Service to Customers, Section B, Extension of Mains, to expand the definitions, establish responsibility for payment of costs associated with extensions and to change the cost of installation refund provisions. (Mullane)
10. Amending the Public Utilities Commission's toilet rebate and replacement program by increasing the rebate amount from \$30 to \$50 per toilet beginning in fiscal year 1999/2000. (Mullane)
11. Presentation on the Sunol Valley Water Treatment Plant Improvement Project geotechnical/seismic work completed for Phase 2. (7 Minutes) (Mallet)
12. Presentation on the Sunol Valley Water Treatment Plant Improvement Project treatment plant and treated water reservoir site location recommendations. (7 Minutes) (Mallet)
13. Consideration of the request from the Pleasanton Unified School District to amend the Purchase and Sale Agreement with the District. (Moran)

LEASES AND PERMITS

14. Authorizing a permit to Big Oak Flat-Groveland Unified School District for the use of the Moccasin Schoolhouse and adjacent grounds for an alternative education center for a term of one year and a permit fee of \$175.00 per month. (Dowd)
15. Authorizing the Director of Property to acquire or condemn if necessary, two lots required for the Southeast Plant Booster Pump Station Expansion Project, Block 4501, Lots 3 and 4 in San Francisco. (Dowd)
16. Authorizing the General Manager of Public Utilities to request the Director of Property to prepare and submit the necessary legislation to the Board of Supervisors for a jurisdictional transfer of a portion of Block 5252, Lot 1, totaling 2,968 sq. ft., located at the Southeast Treatment Plant, to the Public Transportation Commission for an electrical substation. (Dowd)

CONSTRUCTION CONTRACTS

Advertise

17. Approving plans and specifications and authorizing bid call for Clean Water Program Contract No. CW-226, Fulton and Vicente Pump Station Abandonment.
(Quan)
18. Approving plans and specifications and authorizing bid call for San Francisco Water Department Contract No. WD-2278, Crystal Springs Pipeline No. 2, Section 3 and Sunset Supply Pipeline Cathodic Protection. (Quan)

Close

19. Accepting the work performed under San Francisco Water Department Contract No. WD-2127, 8-Inch Ductile Iron Main Installation in Battery Street between Vallejo and Lombard Streets, in Jackson Street between Stockton and Kearney Streets, and 6-Inch Ductile Iron Main Installation in Wentworth Street, as satisfactorily completed; approving Contract Modification No. 2 providing for an extension of time of 29 calendar days for unavoidable delays; approving an authorized deduction of \$21,600 for inspection charges; and authorizing final payment in the amount of \$400 to the Contractor, P & J Utility Co.
(Quan)
20. Accepting the work performed under San Francisco Water Department Contract No. WD-2146, 8-Inch Ductile Iron Main Installation in Howard Street, Various locations between 4th and 5th Street, and in Russ Street between Howard and Folsom Streets, as satisfactorily completed; approving Credit Modification No. 1 for \$26,419.99; and authorizing final payment in the amount of \$3,600 to the Contractor P & J Utility Co. (Quan)

PROFESSIONAL SERVICE CONTRACTS

Advertise

21. Authorizing advertisement of a Request for Proposals for program management services for the capital improvement program. (Continued from the meeting of June 22, 1999.) (Quan)

Amend

22. Authorizing assignment of a portion of the financial advisory services contract from Artemis Capital Group to Dain Rauscher and extending the financial advisory services contract with Dain Rauscher/Bartle Wells Associates for one year, through June 30, 2000. (Berry)

CLOSED SESSION

23. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a): (Clayton)

Existing Litigation: Lupe and Sogelau Laula v. CCSF
Superior Court No. 159-569

24. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a): (Clayton)

Existing Litigation: Scott Hui v. CCSF
Unlitigated Claim No. 98-W-6015-1

25. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a): (Clayton)

Existing Litigation: Betty Peskin/State Farm Insurance Co v. CCSF
Unlitigated Claim No. 98-W-0046 — 99-02320

26. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property: Portions of Parcel 65 in sunol, Alameda County
Parties Negotiating: CCSF - Dowd/Milstein
Lessee: Mission Valley Rock/RMC Lonestar
Under Negotiations: Price and Terms

27. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):
(Clayton)

Anticipated Litigation: As Plaintiff

.28. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):
(Clayton)

Existing Litigation: Bay Delta Hearings before the State Water Resources Control Board.

29. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c) and
Conference with Real Property Negotiator - Pursuant to Government Code Section
54956.8:

Anticipated Litigation: As Plaintiff and as Defendant
Property: 500+ acres of San Francisco Water Department property on
Bernal Avenue in Alameda County.
Parties Negotiating: Lymburn/Thompson/Malamut
City of Pleasanton
Under Negotiations: Terms and Conditions

30. Public Comments on matters to be discussed in Closed Session.

31. Motion on whether to assert the attorney-client privilege regarding the matters listed above
as Conference with Legal Counsel.

THE PUBLIC UTILITIES COMMISSION WILL GO INTO CLOSED SESSION TO
DISCUSS ABOVE LISTED CLOSED SESSION MATTERS.

FOLLOWING THE CLOSED SESSION, THE PUBLIC UTILITIES COMMISSION WILL
RECONVENE IN PUBLIC SESSION.

32. Announcement following Closed Session.

33. Motion regarding whether to disclose the discussions during Closed Session.

ADJOURNMENT

/99

MINUTES

PUBLIC UTILITIES COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

REGULAR MEETING

July 13, 1999
1:30 P.M.
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

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Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras
Ben L. Hom

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Hetch Hetchy
Clean Water Program
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Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

1. Call to Order: 1:35 P.M.
2. Roll Call: Present - President Ann Moller Caen, Vice President Frank L. Cook, Commissioner E. Dennis Normandy, Commissioner Victor G. Makras, Commissioner Ben L. Hom
3. Approval of Minutes

Moved by Commissioner Normandy, seconded by Commissioner Hom, to approve the Minutes of the Regular Meeting of June 8, 1999; passed (5-0) unanimously.

4. Communications

No action was taken.

5. Introduction of Old/Ongoing Business by Commissioners

No action was taken.

6. Introduction of New Business by Commissioners

Commissioner Normandy referred to an article published by the San Francisco Examiner regarding SFPUC providing free housing to watershed employees. He requested that staff write a letter to the Examiner to let the public know that the watershed keepers are there at management's direction to provide 24-hour protection on our watershed. Anson B. Moran, General Manager of Public Utilities, noted that the watershed keepers currently pay rent at \$50 per room, per month and the Commission had directed staff to increase their rents to market rates by January 1, 2000.

Commissioner Normandy requested staff to submit a report regarding an unpaid utility bill to a garage totaling \$72,000.

Commissioner Normandy requested staff to explore the possibility of setting up a bill collection office in the Chinatown area in the space previously occupied by PG&E and Pacific Bell collection services and report their findings to the Commission.

Commissioner Normandy requested staff to report to the Commission regarding a job site in the Marina District where debris was left by the work crew. The site is a heavily traversed area and he was concerned about the potential for injury if it was not corrected.

Commissioner Normandy requested staff to fast track staff's presentation regarding power aggregation.

7. Report of the General Manager

There was none.

8. Public comments on matters that were not on today's agenda.

There was none.

REGULAR

9. Public Hearing to consider amending the Public Utilities Commission's Rules and Regulations Governing Water Service to Customers, Section B, Extension of Mains, to expand the definitions, establish responsibility for payment of costs associated with extensions and to change the cost of installation refund provisions.

Commissioner Makras recommended that staff conduct an outreach to the building industry to see how this change in the SFWD Rules and Regulations would affect their business. Commissioner Makras expressed concerns about the equity of the rule change when the cost of main extension is shifted to the applicant if PUC had already included the extension in the Capital Improvement Program approved by the Commission.

There were no public comments.

Moved by Commissioner Makras, seconded by Commissioner Normandy to continue Item 9 to the call of the Chair; passed (5-0) unanimously.

10. Amending the Public Utilities Commission's toilet rebate and replacement program by increasing the rebate amount from \$30 to \$50 per toilet beginning in fiscal year 1999/2000.

Moved by Commissioner Hom, seconded by Commissioner Normandy to adopt Item 10; passed (5-0) unanimously.

Resolution No. 99-0186: Amending the Public Utilities Commission's toilet rebate and replacement program by increasing the rebate amount from \$30 to \$50 per toilet beginning in fiscal year 1999/2000.

Items 11 and 12 were considered together.

11. Presentation on the Sunol Valley Water Treatment Plant Improvement Project geotechnical/seismic work completed for Phase 2.
12. Presentation on the Sunol Valley Water Treatment Plant Improvement Project treatment plant and treated water reservoir site location recommendations.

Patty Mallett, Project Manager with the Bureau of System Planning, Environment and Compliance, gave a slide presentation regarding the status of the Sunol Valley Water Treatment Plant Improvement Project. Ms. Mallett addressed the site and seismic issues relative to the selection of a future water treatment plant facility in Sunol. The sites recommended by staff for evaluation were East Portal, West Portal, Reservoir B and the Sunol Valley Water Treatment Plant Facility. A geotechnical analysis was conducted. The evaluation criteria used to select the best site for the treatment facility was based on fault location, cut/fill slope stability, seismic design criteria, earthwork requirements, groundwater control and foundation design. Ms. Mallett stated that the West Portal was selected as the optimal site for the treatment facility because it was not on a fault, has adequate space for regulatory/capacity changes, minimizes piping and fault crossings and requires less earthwork than other sites.

Ms. Mallett concluded her report summarizing the recommendations for the SVWTP project. Those recommendations include: capacity of the treatment facilities to be at 440 mgd long term and 320 mgd near term, use of ozone and direct filtration treatment process at the new treatment plant, and selected West Portal as the site of the new treatment plant providing 60 million gallons of storage. Ms. Mallett noted that the next process would be developing the Future Facilities Plan and Conceptual Engineering Report which would be presented to the Commission.

President Caen took the agenda out of order. Item 13 was deferred until after the Closed Session. The Commission discussed Item 21 next.

PROFESSIONAL SERVICE CONTRACTS

Advertise

21. Authorizing advertisement of a Request for Proposals for program management services for the capital improvement program. (Continued from the meeting of June 22, 1999.)

Mary Williams, Project Manager with the Utilities Engineering Bureau, responded to the concerns raised by proposers at the previous Commission meeting. She stated that in response to the recommendation to lower the bar for joint ventures, staff retained its recommendation for minimum annual revenue and program experience requirements for primes and principal joint venture partners. The requirements for remaining partners were eliminated and instead they are required to demonstrate similar experience and expertise in the field. The PMC Management team will not need to meet the desired high qualifications but they are also expected to demonstrate similar experience and expertise in their field. Regarding the requirement for California license, staff upholds the requirement for at least one management team member to be a licensed engineer in California. With regard to pass/fail screening process, staff recommended eliminating minimum qualifications as a screening device and instead evaluate the capability of firms and management team members against scoring criteria.

Public Comments:

James Jefferson, Jefferson & Co., commented that the subcontracting requirements of 30 and 10 percent MBE and WBE presents a major impediment for minority firms to expand. He suggested changing the subcontracting goals to project participation goals of 30 and 10 percent. He stated that HRC agreed to this recommendation; however, staff rejected it because the goal of the PUC was to have major firms participate as primes.

Harlan Kelly, City Engineer and Deputy Director for the Department of Works Engineering Division, suggested separating program management from construction management to provide proper check and balance.

Emilio Cruz, representing O'Brien Kreitzberg, complimented the Commission and staff for their efforts on the project.

Responding to Mr. Jefferson's comment, Ms. Williams pointed out that the existing language of the RFP does not bar small minority firms from participating in a joint venture. Virginia Harmon, Contract Compliance Officer from the Human Rights Commission, stated that HRC agreed this morning to change the subcontracting goals to project participation goals and they will allow consultants to develop their teams as they see fit. Women and minority firms may participate as a prime, subcontractor or

joint venture partner. Ms. Harmon said that setting project participation goals would help remove the barriers for minority contractors to become prime contractors quicker.

Commissioner Cook remarked that it is imperative that the prime contractor be a licensed engineer in California. Commissioner Makras agreed and added that the license should be required when they submit their proposal. Commissioner Normandy stated that the RFP requires one member of the team to have an existing license and one manager to acquire that license at the time of the bid proposal submission and gives the Program Manager one year to acquire the license. He said requiring the license now precludes us from getting the best talent. Michael Quan, Manager of Utilities Engineering Bureau noted that all the managers responsible for design and management should be licensed at the time of proposals or soon after.

Richard Zaragoza of Parsons stated that their company demands their engineers to get licensed in the state where the project is located and they make sure that their staff pass the exam.

Mike Saade of Bechtel Infrastructure Corporation also stated that their company will make sure that their staff will qualify in time.

Commissioner Makras inquired whether construction management is currently included within the program manager's scope of work. He said that he understood that the program manager will deal with conceptual framework of the program and provide management tools to get it done and a separate group will be doing design and construction management. Commissioner Makras said that he wanted an independent person fighting to keep costs down. Commissioner Normandy stated that the intent was the Program Management Team would augment PUC staff in managing the people who do the design and construction of the projects. He stated that he would like to see the RFP include construction management in the Program Manager's scope of work.

Commissioner Normandy suggested continuing the matter to the next meeting so that the comments made today from the public and the Commission could be considered in drafting the final RFP including the issue regarding construction management. He suggested that when staff brings the item back to the Commission he would like to see an addendum addressing all issues presented today, and justify staff's recommendation whether they support or reject those issues.

Commissioner Normandy moved, seconded by Commissioner Markas, to continue Item 21 to the call of the Chair; passed (5-0) unanimously.

LEASES AND PERMITS

14. Authorizing a permit to Big Oak Flat-Groveland Unified School District.

Commissioner Makras inquired whether the lease agreement allows subletting of the premises. Cindy Lee of the Bureau of Commercial Land Management responded that subletting or transfer of the property is not allowed in the agreement.

Moved by Commissioner Makras, seconded by Commissioner Cook, to adopt Item 14; passed (5-0) unanimously.

Resolution No. 99-0187: Authorizing a permit to Big Oak Flat-Groveland Unified School District for the use of the Moccasin Schoolhouse and adjacent grounds for an alternative education center for a term of one year and a permit fee of \$175.00 per month.

15. Authorizing the Director of Property to acquire or condemn if necessary, two lots required for the Southeast Plant Booster Pump Station Expansion Project, Block 4501, Lots 3 and 4 in San Francisco.

Item 15 was removed from the agenda by the General Manager.

16. Authorizing the General Manager of Public Utilities to request the Director of Property to prepare and submit the necessary legislation to the Board of Supervisors for a jurisdictional transfer of a portion of Block 5252, Lot 1, totaling 2,968 sq. ft., located at the Southeast Treatment Plant, to the Public Transportation Commission for an electrical substation.

Item 16 was removed from the agenda by the General Manager.

CONSTRUCTION CONTRACTS

Advertise

Items 17 and 18 were considered together. Commissioner Normandy moved, seconded by Commissioner Hom to adopt Items 17 and 18; passed (5-0) unanimously.

17. Resolution No. 99-0188: Approving plans and specifications and authorizing bid call for Clean Water Program Contract No. CW-226, Fulton and Vicente Pump Station Abandonment.

18. Resolution No. 99-0189: Approving plans and specifications and authorizing bid call for San Francisco Water Department Contract No. WD-2278, Crystal Springs Pipeline No. 2, Section 3 and Sunset Supply Pipeline Cathodic Protection.

Commissioner Makras was excused at 3:16 P.M.

Close

19. Accepting the work performed under San Francisco Water Department Contract No. WD-2127, as satisfactorily completed.

President Caen inquired why the contractor did not meet the MBE/WBE participation goals. Commissioner Cook recommended that a penalty be imposed on firms that have a track record of non-compliance; and they should be excluded from bidding on our contracts. Virginia Harmon of the Human Rights Commission, responded that since the project was essentially completed, HRC staff negotiated with the contractor to fulfill the goals in another project and if the contractor fails to meet the goal in one more project they would be recommended for debarment. She said HRC implemented a City-wide Diversity Tracking System to monitor contractor's compliance with the City's contracting goals and they encourage City departments to provide their input regarding contracts let by their agencies.

Moved by Commissioner Hom, seconded by Commissioner Cook, to adopt Item 19; passed (4-0) unanimously.

Resolution No. 99-0190: Accepting the work performed under San Francisco Water Department Contract No. WD-2127, 8-Inch Ductile Iron Main Installation in Battery Street between Vallejo and Lombard Streets, in Jackson Street between Stockton and Kearney Streets, and 6-Inch Ductile Iron Main Installation in Wentworth Street, as satisfactorily completed; approving Contract Modification No. 2 providing for an extension of time of 29 calendar days for unavoidable delays; approving an authorized deduction of \$21,600 for inspection charges; and authorizing final payment in the amount of \$400 to the Contractor, P & J Utility Co.

20. Accepting the work performed under San Francisco Water Department Contract No.WD-2146 as satisfactorily completed.

Moved by Commissioner Hom, seconded by Commissioner Cook, to adopt Item 20; passed (4-0) unanimously.

Resolution No. 99-0191: Accepting the work performed under San Francisco Water Department Contract No.WD-2146, 8-Inch Ductile Iron Main Installation in Howard Street, Various locations between 4th and 5th Street, and in Russ Street between Howard and Folsom Streets, as satisfactorily completed; approving Credit Modification No. 1 for \$26,419.99; and authorizing final payment in the amount of \$3,600 to the Contractor P & J Utility Co.

PROFESSIONAL SERVICE CONTRACTS

Amend

22. Assignment of a portion of the financial advisory services contract from Artemis Capital Group to Dain Rauscher.

Commissioner Cook recommended funding the contract for six months to an amount not to exceed \$60,000 and rebid the contract upon expiration.

Commissioner Makras expressed concerns that when we reassign contracts, we do not know whether the contractor complied with the City's contracting requirements. William Berry, Assistant General Manager for Administration and Finance, stated that Dain Rauscher complied with all contracting requirements including the Domestic Partners Ordinance.

Moved by Commissioner Cook, seconded by Commissioner Hom to approve Item 22 as amended; passed (5-0) unanimously.

Resolution No. 99-0192: Authorizing assignment of a portion of the financial advisory services contract from Artemis Capital Group to Dain Rauscher and extending the financial advisory services contract with Dain Rauscher/Bartle Wells Associates for six months, through December 31, 1999.

CLOSED SESSION

Items 23, 24 and 25 were considered together.

Commissioner Makras moved, seconded by Commissioner Cook, to approve a settlement for Items 23, 24 and 25; passed (5-0) unanimously.

23. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):

Existing Litigation: Lupe and Sogelau Laula v. CCSF

Resolution No. 99-0193: Approving a settlement in the case of Lupe and Sogelau Laula v. CCSF; Superior Court No. 159-569.

24. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):

Existing Litigation: Scott Hui v. CCSF

Resolution No. 99-0194: Approving a settlement in the case of Scott Hui v. CCSF, Unlitigated Claim No. 98-W-6015-1.

25. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):

Existing Litigation: Betty Peskin/State Farm Insurance Co v. CCSF

Resolution No. 99-0195: Approving a settlement in the case of Betty Peskin/State Farm Insurance Co v. CCSF, Unlitigated Claim No. 98-W-0046 -- 99-02320

26. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property: Portions of Parcel 65 in Sunol, Alameda County

Parties Negotiating: CCSF - Dowd/Milstein

Lessee: Mission Valley Rock/RMC Lonestar

Under Negotiations: Price and Terms

Item 26 was continued to the next meeting.

27. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):

Anticipated Litigation: As Plaintiff

No action was taken.

28. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):

Existing Litigation: Bay Delta Hearings before the State Water Resources Control Board.

No action was taken.

29. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Anticipated Litigation: As Plaintiff and as Defendant

Property: 500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County.

Parties Negotiating: Lymburn/Thompson/Malamut

City of Pleasanton

Under Negotiations: Terms and Conditions

No action was taken.

30. Public Comments on matters to be discussed in Closed Session.

There were none.

31. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

Moved by Commissioner Normandy, seconded by Commissioner Cook, to assert the attorney-client privilege; passed (5-0) unanimously.

The Public Utilities Commission met in Closed Session at 3:41 P.M. to discuss the above listed Closed Session items:

At 5:40 P.M., the Public Utilities Commission reconvened in open session.

32. Announcement following Closed Session.

President Caen announced the actions taken during the Closed Session.

33. Motion regarding whether to disclose the discussions during Closed Session.

Moved by Commissioner Cook, seconded by Commissioner Normandy, not to disclose the discussion during the Closed Session; passed (5-0) unanimously.

The Commission resumed discussion of the Regular Agenda.

13. Consideration of the request from the Pleasanton Unified School District to amend the Purchase and Sale Agreement with the District.

Moved by Commissioner Normandy, seconded by Commissioner Cook, to continue Item 13 to the call of the Chair; passed (5-0) unanimously.

Thereupon, the meeting was adjourned: 5:43 P.M.

Romaine A. Boldridge
Secretary

AGENDA
PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

REGULAR MEETING

July 27, 1999
1:30 P.M.
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras
Ben L. Hom

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ORDER OF BUSINESS

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Members of the public may address the Commission on matters that are within the Commission's jurisdiction and are not on today's agenda.

THE FOLLOWING MATTERS BEFORE THE PUBLIC UTILITIES COMMISSION ARE RECOMMENDED FOR ACTION AS STATED, BY THE GENERAL MANAGER OF PUBLIC UTILITIES, AND CITY ATTORNEY WHERE APPLICABLE.

REGULAR BUSINESS

10. Update on the progress of the Clean Water Program Screening of Feasible Technologies (SOFT) Study. 7 mins. (Goldstein)

11. Authorizing the Public Utilities Commission to transfer at no cost one surplus Water Pollution trailer to the Department of Public Works for use by the Department of Human Services as a Human Services Support Center trailer for displaced fire victims at fire sites. (Keaney/Olsen)

12. Approving the distribution of 400 ultra low flow toilets to low-income housing units managed by nonprofit housing organizations in San Francisco. (Knox)

LEASES AND PERMITS

13. Authorizing the General Manager of Public Utilities to execute a permit with Nextlink California, L.L.C., to install, maintain, use, and repair a telecommunications conduit within a portion of Parcel 161 of Bay Division Pipeline Nos. 3 and 4 right-of-way, located in Sunnyvale, Santa Clara County. (Dowd)

CONSTRUCTION CONTRACTS

Advertise

14. Approving the plans and specifications and authorizing bid call for San Francisco Water Department Contract No. WD-2241, 12-Inch Ductile Iron Feeder Main Installation in Terry Francois Boulevard between Third and Mission Rock Streets. (Quan)

15. Approving the plans and specifications and authorizing bid call for San Francisco Water Department Contract No. WD-2276, 8-Inch Ductile Iron Main Installation in Brannan Street between Delancey and Third Streets; in Second Street Between Townsend and Harrison Streets; in Taber Plaza and in South Park between Second and Third Streets. (Quan)

16. Approving the plans and specifications and authorizing bid call for Clean Water Program Contract No. CW-177, Sacramento/Pierce/Wilmot Streets Sewer Replacement. (Quan)
17. Approving the plans and specifications and authorizing bid call for Clean Water Program Contract No. CW-210, Polk/Francisco/Quincy Streets Sewer Replacement. (Quan)
18. Approving the plans and specifications and authorizing bid call for Clean Water Program Contract No. CW-231, Leavenworth Street Sewer Replacement. (Quan)
19. Approving the plans and specifications and authorizing bid call for Clean Water Program Contract No. CW-238, Peabody Street Sewer Replacement. (Quan)
20. Approving the plans and specifications and authorizing bid call for Clean Water Program Contract No. CW-246, Clay and Sacramento Streets Sewer Replacement. (Quan)

Award

21. Awarding San Francisco Water Department Contract No. WD-2277, Sunol Valley Water Treatment Plant Decant Sump Modification, in the amount of \$393,000 to the lowest responsive and responsible bidder, Millard Tong Construction Co. (Quan)
22. Awarding San Francisco Water Department Contract No. WD-2284, Bay Division Pipeline Nos. 1 and 2 Timber Trestle Repairs, in the amount of \$576,670 to the lowest responsive and responsible bidder, Miller Thompson Constructors, Inc. (Quan)
23. Awarding San Francisco Water Department Contract No. WD-2294, Alameda Creek Diversion Dam – Erosion and Miscellaneous Repairs, in the amount of \$385,000, to the lowest responsive and responsible bidder, Gordon N. Ball, Inc./Mendelian Construction, Inc., AJV. (Quan)

24. Awarding Clean Water Program Contract No. CW-196, Westside Transport Grit Flushing", in the amount of \$114,000, to the lowest responsible and responsive bidder, Homer J. Olsen, Inc. (Quan)

Close

25. Accepting the work performed for Clean Water Program Contract No. CW-104, 24th Avenue/California Street Sewer Replacement; approving contract modification No. 1 in the credit amount of \$4,345; and approving final payment in the amount of \$12,909 to the contractor, Harty Pipelines, Inc. (Quan)

PROFESSIONAL SERVICE CONTRACTS

Advertise

26. Authorizing advertisement of a Request for Proposals for program management services for the capital improvement program. (Continued from the meeting of July 13, 1999) (Williams)

Award

27. Authorizing the General Manager of Public Utilities to negotiate and execute contracts with the selected pool of consultants, Brown, Vence and Associates, Newcomb Anderson Associates, and ESS Engineering to provide as-needed energy-engineering professional services for a total cost not to exceed \$920,000 over four years. (Klein)

CLOSED SESSION

28. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Anticipated Litigation:	As Plaintiff and as Defendant
Property:	500+acres of San Francisco Water Department property on Bernal Avenue in Alameda County.
Parties Negotiating:	Lymburn/Thompson/Malamut
Under Negotiation:	City of Pleasanton Terms and Conditions

29. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property: Portions of Parcel 65 in Sunol, Alameda County
Parties Negotiating: CCSF - Dowd/Milstein
Lessee: Mission Valley Rock/RMC Lonestar
Under Negotiation: Price and Terms

30. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):
(Clayton)

Existing Litigation: Bay Delta Hearings before the State Water Resources Control Board.

31. Conference with Real Property Negotiator – Pursuant to Government Code Section 54956.8:

Property: Balboa Reservoir Property at Phelan and Ocean Avenue
Parties Negotiating: CCSF – Dowd/Kubick
San Francisco City College
Under Negotiation: Terms

32. Public Comments on matters to be discussed in Closed Session.

33. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

THE PUBLIC UTILITIES COMMISSION WILL GO INTO CLOSED SESSION TO DISCUSS ABOVE LISTED CLOSED SESSION MATTERS.

FOLLOWING THE CLOSED SESSION, THE PUBLIC UTILITIES COMMISSION WILL RECONVENE IN PUBLIC SESSION.

34. Announcement following Closed Session.

35. Motion regarding whether to disclose the discussions during Closed Session.

ADJOURNMENT

NOTICE OF PUBLIC HEARING

Notice is hereby given that the Public Utilities Commission will conduct a public hearing on August 10, 1999 at 1:30 p.m. in Room 400, Dr. Carlton B. Goodlett Place in San Francisco, California, to consider changes to Rule 6, Organization and Election of Officers, of the Rules of Order of the Public Utilities Commission.

7/99

MINUTES

PUBLIC UTILITIES COMMISSION CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

REGULAR MEETING

July 27, 1999
1:30 P.M.
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

DOCUMENTS DEPT.

COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras
Ben L. Hom

NOV 08 1999

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 City Distribution Division
 Water Supply & Treatment
Hetch Hetchy Water & Power
Clean Water Program
 Water Pollution Control

BUREAUS

Commercial Land Management
Customer Service
Finance
Management Information Systems
Personnel and Training
System Planning Environment and Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

1. Call to order: 1:37 P.M.
2. Roll Call:

Present -	Vice President Frank L. Cook, Commissioner E. Dennis Normandy, Commissioner Victor G. Makras, Commissioner Ben L. Hom
Excused -	President Ann Moller Caen
- Vice President Cook presided.
- Approval of Minutes
Moved by Commissioner Normandy, seconded by Commissioner Hom, to approve the following sets of Minutes: Regular Meeting of June 22, 1999, Special Meeting of July 1, 1999, and Regular Meeting of July 13, 1999; passed (4-0) unanimously.
- Communications
No action was taken.
- Introduction of Old/Ongoing Business by Commissioners
Commissioner Makras requested that staff schedule an agenda item regarding pass through contracts at the next PUC meeting.
Commissioner Normandy requested that staff schedule an agenda item regarding Hetch Hetchy Water & Power's business plan by the end of August.
- Introduction of New Business by Commissioners
There was no new business introduced by Commissioners.
- Report of the General Manager
There was none.
- Public comments on matters that were not on today's agenda.
Alex Lantsberg of the Southeast Alliance for Economic Justice, suggested including a new transmission line in the Hunters Point area.

REGULAR

10. Update on the progress of the Clean Water Program Screening of Feasible Technologies (SOFT) Study.

Beth Goldstein of the Bureau of System Planning Environment and Compliance gave a slide presentation regarding the status of the Clean Water Program Screening of Feasible Technologies (SOFT) Study. The objective of the SOFT Study was to identify feasible technologies that can be used to adopt the solutions proposed in the Clean Water Program's Strategic Plan and whether it could be applied on the Bayside watershed. Ms. Goldstein stated that the SOFT evaluation process will be completed in four phases: Phase 1 – Identify, describe and organize stakeholder issues and concerns and design measurement criteria to be used in SOFT evaluation; Phase 2 – Evaluate soft technologies using stakeholder values and measurement criteria; Phase 3 - Review soft evaluations and analysis with stakeholders; and Phase 4 - Develop final rankings and recommendations. Ms. Goldstein reported that Phase 1 had been completed. Site specific alternative technology studies were also conducted and staff completed the study for Mission Bay. A similar study is ongoing for the Hunters Point area.

11. Authorizing the transfer of a surplus Water Pollution trailer to the Department of Public Works for use as a Human Services Support Center trailer.

Carl Hedleston of the San Francisco Department of Administrative Services urged the Commission's approval of the transfer.

Moved by Commissioner Makras, seconded by Commissioner Normandy to adopt Item 11; passed (4-0) unanimously.

Resolution No. 99-0196: Authorizing the Public Utilities Commission to transfer at no cost one surplus Water Pollution trailer to the Department of Public Works for use by the Department of Human Services as a Human Services Support Center trailer for displaced fire victims at fire sites.

12. Approving the distribution of 400 ultra low flow toilets to low-income housing units in San Francisco.

Moved by Commissioner Normandy, seconded by Commissioner Hom, to adopt Item 12; passed (4-0) unanimously.

Resolution No. 99-0197: Approving the distribution of 400 ultra low flow toilets to low-income housing units managed by nonprofit housing organizations in San Francisco.

LEASES AND PERMITS

13. Authorizing a permit with Nextlink California, L.L.C., to install, maintain, use, and repair a telecommunications conduit within a portion of Parcel 161 of Bay Division Pipeline Nos. 3 and 4 right-of-way, located in Sunnyvale, Santa Clara County.

Moved by Commissioner Makras, seconded by Commissioner Hom, to adopt Item 13; passed (4-0) unanimously.

Resolution No. 99-0198: Authorizing the General Manager of Public Utilities to execute a permit with Nextlink California, L.L.C., to install, maintain, use, and repair a telecommunications conduit within a portion of Parcel 161 of Bay Division Pipeline Nos. 3 and 4 right-of-way, located in Sunnyvale, Santa Clara County.

CONSTRUCTION CONTRACTS

Advertise

Items 14 and 15 were called together.

Moved by Commissioner Normandy, seconded by Commissioner Hom, to adopt Items 14 and 15; passed (4-0) unanimously.

14. Resolution No. 99-0199: Approving the plans and specifications and authorizing bid call for San Francisco Water Department Contract No. WD-2241, 12-Inch Ductile Iron Feeder Main Installation in Terry Francois Boulevard between Third and Mission Rock Streets.

15. Resolution No. 99-0200: Approving the plans and specifications and authorizing bid call for San Francisco Water Department Contract No. WD-2276, 8-Inch Ductile Iron Main Installation in Brannan Street between Delancey and Third Streets; in Second Street Between Townsend and Harrison Streets; in Taber Plaza and in South Park between Second and Third Streets.

Items 16, 17, 18, 19, and 20 were called together.

Moved by Commissioner Makras, seconded by Commissioner Hom, to adopt Items 16, 17, 18, 19, and 20; passed (4-0) unanimously.

16. Resolution No. 99-0201: Approving the plans and specifications and authorizing bid call for Clean Water Program Contract No. CW-177, Sacramento/Pierce/Wilmot Streets Sewer Replacement.
17. Resolution No. 99-0202: Approving the plans and specifications and authorizing bid call for Clean Water Program Contract No. CW-210, Polk/Francisco/Quincy Streets Sewer Replacement.
18. Resolution No. 99-0203: Approving the plans and specifications and authorizing bid call for Clean Water Program Contract No. CW-231, Leavenworth Street Sewer Replacement.
19. Resolution No. 99-0204: Approving the plans and specifications and authorizing bid call for Clean Water Program Contract No. CW-238, Peabody Street Sewer Replacement.
20. Resolution No. 99-0205: Approving the plans and specifications and authorizing bid call for Clean Water Program Contract No. CW-246, Clay and Sacramento Streets Sewer Replacement.

Award

21. Awarding San Francisco Water Department Contract No. WD-2277, Sunol Valley Water Treatment Plant Decant Sump Modification.

Moved by Commissioner Normandy, seconded by Commissioner Hom, to adopt Item 21; passed (4-0) unanimously.

Resolution No. 99-0206: Water Treatment Plant Decant Sump Modification, in the amount of \$393,000 to the lowest responsive and responsible bidder, Millard Tong Construction Co.

22. Awarding San Francisco Water Department Contract No. WD-2284, Bay Division Pipeline Nos. 1 and 2 Timber Trestle Repairs.

Moved by Commissioner Makras, seconded by Commissioner Normandy, to adopt Item 22; passed (4-0) unanimously.

Resolution No. 99-0207: Awarding San Francisco Water Department Contract No. WD-2284, Bay Division Pipeline Nos. 1 and 2 Timber Trestle Repairs, in the amount of \$576,670 to the lowest responsive and responsible bidder, Miller Thompson Constructors, Inc.

23. Awarding San Francisco Water Department Contract No. WD-2294, Alameda Creek Diversion Dam – Erosion and Miscellaneous Repairs.

Moved by Commissioner Normandy, seconded by Commissioner Hom, to adopt Item 23; passed (4-0) unanimously.

Resolution No. 99-0208: Awarding San Francisco Water Department Contract No. WD-2294, Alameda Creek Diversion Dam – Erosion and Miscellaneous Repairs, in the amount of \$385,000, to the lowest responsive and responsible bidder, Gordon N. Ball, Inc./Mendelian Construction, Inc., AJV.

Commissioner Makras was excused at 2:00 P.M.

24. Awarding Clean Water Program Contract No. CW-196, Westside Transport Grit Flushing.

Moved by Commissioner Normandy, seconded by Commissioner Hom, to adopt Item 24; passed (3-0) unanimously.

Resolution No. 99-0209: Awarding Clean Water Program Contract No. CW-196, "Westside Transport Grit Flushing", in the amount of \$114,000, to the lowest responsible and responsive bidder, Homer J. Olsen, Inc.

Close

25. Accepting the work performed for Clean Water Program Contract No. CW-104, 24th Avenue/California Street Sewer Replacement.

Moved by Commissioner Hom, seconded by Commissioner Normandy, to adopt Item 25; passed (3-0) unanimously.

Resolution No. 99-0210: Accepting the work performed for Clean Water Program Contract No. CW-104, 24th Avenue/California Street Sewer Replacement; approving contract modification No. 1 in the credit amount of \$4,345; and approving final payment in the amount of \$12,909 to the contractor, Harty Pipelines, Inc.

PROFESSIONAL SERVICE CONTRACTS

Commissioner Makras returned at 2:05 P.M.

Advertise

26. Authorizing advertisement of a Request for Proposals for program management services for the capital improvement program. (Continued from the meeting of July 13, 1999)

Mary Williams of the Utilities Engineering Bureau responded to concerns raised at the last Commission meeting and they were addressed as follows:

- (1) Program Participation Goals - Ms. Williams stated that staff has incorporated language in the RFP to allow aggregation of subconsultant and prime participation by minority and women owned business.
- (2) Responsibility for Design – The RFP has been corrected indicating that the PUC will be the responsible engineer of record or DPW, or a design consultant that is selected separately from the program manager.
- (3) Integration of Program and Construction Management - The RFP was changed to indicate that the PUC or DPW will manage construction activities.
- (4) California License Requirement – The RFP indicates that a California license is required at the time the proposals are submitted.
- (5) Issue of Checks and Balances – Ms. Williams indicated that checks and balances are inherent in the contract and in Commission's approval of various actions. Also there would be an annual process of scoping the contract.

Commissioner Makras noted that the Commission received a letter from Patricia Meager commenting on how PUC was proceeding with the RFP. Commissioner Makras stated that he reviewed Ms. Meager's letter and the analysis of two legal cases mentioned (Baldwin-Lima-Hamilton, and the Domar Electric vs. City of Los

Angeles) and he did not agree with the legal analysis presented. Commissioner Makras stated that he had asked the General Manager to invite Ms. Meager to today's meeting. He asked whether Ms. Meager was present. She was not. He said he wanted to ask Ms. Meager who her client was, whether her client was a prospective bidder, and did her client meet the minimum requirements of the RFP. Ms. Meager's letter alleged that the RFP was tailored to one competitor and Commissioner Makras wanted to know who would that be.

Commissioner Makras suggested the following changes to the RFP which were discussed and agreed upon as they proceeded:

UNDER "OFFICIAL ADVERTISEMENT FOR CONTRACT CS-524"

Page 2 – *Qualifications of Proposers*, Line #2, insert the word “collectively” – to read “To qualify as a prime for this contract, an individual prime or the principal partner of a joint venture with at least a 35% share must collectively demonstrate financial capability...”

Page 3 – *Submittals*, Line #1, delete “brief”, “The proposal should be brief, clean and concise...”

Page 3 – *MBE/WBE/LBE Utilization*, 2nd paragraph, last sentence – Insert “Public Utilities Commission in collaboration with” – to read “Program participation goals for subsequent years of this contract may be adjusted by the Public Utilities Commission in cooperation with the Human Rights Commission.”

Page 4 – *Selection Process*, 1st paragraph, insert and delete – “The SFPUC shall appoint an Evaluation Panel to evaluate, score, and rank proposals based on the criteria outlined in the Evaluation Score Sheets, capability of the firms and PMC management team members, program understanding and approach...

Page 4 – *Selection Process*, second paragraph – insert sentence – “The negotiated contract would be brought back to the Public Utilities Commission for final approval.”

UNDER "PROGRAM MANAGEMENT SERVICES REQUEST FOR PROPOSAL":

Page 3 – *SFPUC Utilities Engineering Bureau* ,1st paragraph, insert “DPW” – to read “UEB, DPW, or any other City Engineer, or a design consultant under separate contract shall be the engineer of record for all SFPUC projects in the capital program ...”

Page 3 – *SFPUC Utilities Engineering Bureau*, 2nd paragraph, insert “DPW” – to read “UEB, DPW, or any other City Engineer shall be the construction manager for all SFPUC projects in the capital program...”

Page 5 – IV. *PROGRAM APPROACH, Program Organization*, delete the last sentence – “The PMC shall not take over program functions performed by City Staff ...”

Page 6 - 2nd paragraph , insert “targeted” – to read “This contract for program management services covers a group of SFPUC projects for which \$500 million in funding is targeted, ...”

Page 7 - *SCOPE OF SERVICES*, 3rd paragraph, insert “at its sole cost and expense” - to read “The PMC shall arrange as its sole cost and expense for and furnish office space in San Francisco for the program to insure close ...”.

Delete the last sentence - “The space requirements are estimated at 10,000 to 15,000 square feet, preferably in the Civic Center area.” Commissioner Makras stated that he wanted it clear that the office space is the Program Manager’s responsibility.

Page 12 - *CONTENTS OF PROPOSAL, Qualifications of Prime PMC Consultant*, 3rd paragraph, insert – “Individual prime consultants...must either individually or collectively demonstrate financial capability...”

Page 2 – *Qualifications of Proposers*, Line #2, insert “either individually or” to conform to the change to page 12.

Page 20, *Tours*, 3rd line, delete the word “not” – “The information they provide is not required to respond to this Request for Proposals.”

Commissioner Makras requested that staff make changes to the RFP so that the Program Manager to be selected would be asked to do conceptual and schematic design work. Then through the bid process, we hire someone to provide design services. He said the RFP as it is written leaves the Program Manager to design the entire program. Commissioner Normandy stated that the Program Manager or the program management team could not be involved in the design process. He suggested keeping the RFP silent on the design management part of the program or keep it in general term that it is a standard industry practice.

Public Comments

Leslie Abbott, representing Local 21, commented that internal management staff for the project is insufficient. She suggested providing additional training to in-house staff outside of the program management consultant.

Commissioner Normandy commented on the overall process involved in getting the RFP to this point. Firstly, he emphasized the degree of thought, care and attention put forth, as evidenced even by the discussion at this particular meeting. Secondly, he pointed out the diligent responsiveness to all parties' concerns: as proven by the chart prepared by Mary Williams which detailed every concern, analyzed the issues, and addressed the same, either favorably or unfavorably, but definitely taken into account. Lastly, he stated that because ours is not a perfect world, there is no way every single contingency can be foreseen. The program management process will be ongoing over a long period of time, and will be refined as needed. He reiterated his invitation to all concerned to partner with the PUC in making sure we are doing the very best for our rate payers, for the citizens of San Francisco and for all of the other people we serve from here to Hetch Hetchy. He said that he would like to move ahead and not delay this further.

Commissioner Normandy suggested amending the resolved clause to change the phrase "*for a period not to exceed four years*" to "an initial period of four years" to read: "*Resolved that the San Francisco Public Utilities Commission authorizes its staff to advertise a Request for Proposals for program management services in support of its capital improvement program, for an initial period of four years.*" He stated that he did not want to put a limitation on the contract since we cannot forecast our needs and fund requirements.

Moved by Commissioner Normandy, seconded by Commissioner Makras, to adopt Item 26 as amended; passed (4-0) unanimously.

Resolution No. 99-0211: Authorizing advertisement of a Request for Proposals for program management services in support of its capital improvement program for an initial period of four years.

Commissioner Makras commented on the process. He said that the RFP had changed substantially from the one given to the Commission on December 16, 1998. He noted that either we did not know much then, or the process really worked and we have a fabulous RFP. He pointed out that there were inconsistencies such as, at the last meeting the RFP said there were four divisions in UEB, and at this meeting it says there are five divisions. Also, documents referring to the members of the task force do not show the two most important members of the task force – the General Manager and the UEB Manager.

Commissioner Makras said that he had requested a "black line" issue of the RFP which was not provided. He said he wanted to raise the bar so that all of our documents have consistency. When bidders spend tens of thousands of dollars to compete on these contracts our documents should be consistent and at the highest level. He asked if anyone thought there was a better way of doing business. There was no response. He said he wanted the record to reflect that that's the bar and the standard we all are adhering to.

Award

27. Authorizing the General Manager of Public Utilities to negotiate and execute contracts with the selected pool of consultants, Brown, Vence and Associates, Newcomb Anderson Associates, and ESS Engineering, to provide as-needed energy-engineering professional services for a total cost not to exceed \$920,000 over four years.

Commissioner Normandy moved, seconded by Commissioner Hom to adopt Item 27. Commissioner Makras stated that he does not support the item as he believed that it does not give us the benefits for the cost of services that would be provided. Vice President Cook suggested continuing the item to the call of the Chair and reschedule it when there is a full Commission and to give time for staff to present a better overview of cost and benefit of these contracts. Commissioner Normandy and Commissioner Hom withdrew their motion.

Moved by Commissioner Normandy, seconded by Commissioner Hom, to continue Item 27 to the call of the Chair; passed (4-0) unanimously.

CLOSED SESSION

28. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Anticipated Litigation:	As Plaintiff and as Defendant
Property:	500+acres of San Francisco Water Department property on Bernal Avenue in Alameda County.
Parties Negotiating:	Lymburn/Thompson/Malamut
	City of Pleasanton
Under Negotiation:	Terms and Conditions

Item 28 was continued to the meeting of July 29, 1999.

29. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property:	Portions of Parcel 65 in Sunol, Alameda County
Parties Negotiating:	CCSF - Dowd/Milstein
Lessee:	Mission Valley Rock/RMC Lonestar
Under Negotiation:	Price and Terms

Item 29 was continued to the meeting of July 29, 1999.

30. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(a):

Existing Litigation: Bay Delta Hearings before the State Water Resources Control Board.

Item 30 was continued to the meeting of August 10, 1999.

31. Conference with Real Property Negotiator – Pursuant to Government Code Section 54956.8:

Property: Balboa Reservoir Property at Phelan and Ocean Avenue
Parties Negotiating: CCSF – Dowd/Kubick
San Francisco City College
Under Negotiation: Terms

Item 31 was continued to the meeting of July 29, 1999.

At 3:08 P.M., Commissioner Makras was excused.

32. Public comments on matters to be discussed in Closed Session.

There was none.

33. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

Moved by Commissioner Normandy, seconded by Commissioner Hom, to assert the attorney-client privilege; passed (3-0) unanimously.

The Public Utilities Commission met in Closed Session from 3:10 P.M. to discuss the above listed Closed Session items:

At 4:40 P.M., the Commission reconvened in open session.

34. Announcement following Closed Session.

Romaine A. Boldridge, Commission Secretary, announced the actions taken during the Closed Session.

35. Motion regarding whether to disclose the discussions during Closed Session.

Moved by Commissioner Normandy, seconded by Commissioner Hom, not to disclose the discussion during the Closed Session; passed (4-0) unanimously.

Thereupon, the meeting was adjourned at 4:20 P.M.

Romaine A. Boldridge
Secretary

AGENDA

PUBLIC UTILITIES COMMISSION CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

ADJOURNED MEETING

July 29, 1999
10:00 A.M.
City Hall, Room 408
1 Dr. Carlton B. Goodlett Place

DOCUMENTS DEPT

JUL 28 1999

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COMMISSIONERS

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Victor G. Makras
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Personnel and Training
System Planning Environment and Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

For information contact the Commission Secretary at 554-3165.
Agendas and other information are available on the PUC web site: www.ci.sf.ca.us/puc

Disability Access

The Public Utilities Commission meeting will be held in Room 408, City Hall, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA. The Commission meeting room is wheelchair accessible. The closest accessible BART station is the Civic Center Station at United Nations Plaza and Market Street. Accessible MUNI lines serving this location are: #42 Downtown Loop, and #71 Haight/Noriega and the F Line to Market and Van Ness and the Metro Stations at Van Ness and Market and at Civic Center. For information about MUNI accessible services call (415) 923-6142. There is accessible curbside parking adjacent to City Hall on Grove Street and Van Ness Avenue and in the vicinity of the Veterans Building at 401 Van Ness Avenue adjacent to Davies Hall and the War Memorial Complex.

The following services are available on request 48 hours prior to the meeting; except for Monday meetings, for which the deadline shall be 4:00 p.m. of the last business day of the preceding week: For American sign language interpreters or the use of a reader during a meeting, a sound enhancement system, and/or alternative formats of the agenda and minutes, please contact Romaine Boldridge at (415) 554-3165 or our TDD at (415) 554-3488 to make arrangements for the accommodation. Late requests will be honored, if possible.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the City accommodate these individuals. Individuals with chemical sensitivity or related disabilities should call our accessibility hotline at (415) 554-6060.

Know your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code)

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils, and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at (415) 554-4851.

San Francisco Lobbyist Ordinance

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance [San Francisco Admin Code Chapter 16.520-16.534] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 1390 Market Street #801, San Francisco, CA 94102, telephone (415) 554-9510, fax (415) 703-0121 and web site <http://www.ci.sf.ca.us/ethics/>.

ORDER OF BUSINESS

1. Call to Order

2. Roll Call

THE FOLLOWING MATTERS BEFORE THE PUBLIC UTILITIES COMMISSION ARE RECOMMENDED FOR ACTION AS STATED, BY THE GENERAL MANAGER OF PUBLIC UTILITIES, AND CITY ATTORNEY WHERE APPLICABLE.

CLOSED SESSION

28. Conference with Legal Counsel - Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Anticipated Litigation:	As Plaintiff and as Defendant
Property:	500+acres of San Francisco Water Department property on Bernal Avenue in Alameda County.
Parties Negotiating:	Lymburn/Thompson/Malamut
Under Negotiation:	City of Pleasanton
	Terms and Conditions

29. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property:	Portions of Parcel 65 in Sunol, Alameda County
Parties Negotiating:	CCSF – Dowd/Milstein
Lessee:	Mission Valley Rock/RMC Lonestar
Under Negotiation:	Price and Terms

31. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property:	Balboa Reservoir Property at Phelan and Ocean Avenue
Parties Negotiating:	CCSF – Dowd/Kubick
	San Francisco City College
Under Negotiation:	Terms

32. Public Comments on matters to be discussed in Closed Session.

33. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

THE PUBLIC UTILITIES COMMISSION WILL GO INTO CLOSED SESSION TO DISCUSS ABOVE LISTED CLOSED SESSION MATTERS.

FOLLOWING THE CLOSED SESSION, THE PUBLIC UTILITIES COMMISSION WILL RECONVENE IN PUBLIC SESSION.

34. Announcement following Closed Session.

35. Motion regarding whether to disclose the discussions during Closed Session.

ADJOURNMENT

**SAN FRANCISCO PUBLIC UTILITIES
COMMISSION**

**July 29, 1999
Adjourned Meeting**

There are no minutes available for this meeting

AGENDA

PUBLIC UTILITIES COMMISSION CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

REGULAR MEETING

August 10, 1999

1:30 P.M.

City Hall, Room 400

1 Dr. Carlton B. Goodlett Place

01-05-0

COMMISSIONERS

**Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras
Ben L. Hom**

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DEPARTMENTS

**Water Department
 City Distribution Division
 Water Supply & Treatment
Hetch Hetchy Water & Power
Clean Water Program
 Water Pollution Control**

BUREAUS

**Commercial Land Management
Customer Service
Finance
Management Information Systems
Personnel and Training
System Planning Environment and Compliance
Utilities Engineering Bureau
Water Quality**

**Anson B. Moran
GENERAL MANAGER**

**Romaine A. Boldridge
SECRETARY**

For information contact the Commission Secretary at 554-3165.

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Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils, and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at (415) 554-4851.

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ORDER OF BUSINESS:

1. Call to Order
2. Roll Call
3. Public Hearing - To consider amending Rule 6, Organization and Election of Officers, of the Rules of Order of the Public Utilities Commission. (Moran)
4. Election of Officers
5. Approval of Minutes
6. Communications
7. Introduction of Old/Ongoing Business by Commissioners
8. Introduction of New Business by Commissioners
9. Report of the General Manager
 - a. Chinatown Outreach (Mullane)
 - b. Y2K (Moran)
 - c. California Water Awareness Efficiency Award for Residential Programs (Mullane)
10. Public Comments

Members of the public may address the Commission on matters that are within the Commission's jurisdiction and are not on today's agenda.

THE FOLLOWING MATTERS BEFORE THE PUBLIC UTILITIES COMMISSION ARE RECOMMENDED FOR ACTION AS STATED, BY THE GENERAL MANAGER OF PUBLIC UTILITIES, AND CITY ATTORNEY WHERE APPLICABLE.

REGULAR BUSINESS

11. Presentation on Protection and Security of Watershed and Rights of Way Lands. 10 mins. (Naras)
12. Modifying existing PUC policy to permit the use of metal halide street lighting as an alternative to high-pressure sodium vapor street lighting for the planned development at Mission Bay and similar future developments. (Quan)
13. Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission for Clean Water Program Contract No. CW-242E, Polk Street Emergency Sewer Replacement; and requesting the Board of Supervisors to approve the expenditure of funds for the emergency work. (Quan)
14. Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission for Clean Water Program Contract No. CW-252E, Broadway Emergency Sewer Replacement; and requesting the Board of Supervisors to approve the expenditure of funds for the emergency work. (Quan)

LEASES AND PERMITS

15. Authorizing the Director of Property to acquire two contiguous lots located in the City of San Francisco, identified as Assessors Block 4501, Lots 3 and 4 which abut the existing Southeast Plant Booster Pump Station for expansion of the Pump Station. (Dowd)

CONSTRUCTION CONTRACTS

Advertise

16. Approving the plans and specifications and authorizing advertisement for bids for Clean Water Program Contract No. CW-216, Oceanside Water Pollution Control Plant Parallel Electric Service Feeder. (Quan)

Award

17. Awarding Hetch Hetchy Water & Power Contract No. HH-874 Hetch Hetchy Road – Storm Repair in the amount of \$3,272,491.80 to Homer J. Olsen, Inc; and approving transfer of funds in the amount of \$1,150,000 for this project. (Quan)

18. Awarding San Francisco Water Department Contract No. WD-2293, Backup Power for Water Quality Monitoring Stations, in the amount of \$190,500 to the lowest responsive and responsible bidder, LTM Construction. (Quan)

Close

19. Accepting work performed for Clean Water Program Contract No. 1106N, Western Presidio Drainage Improvements Project as complete; and approving final payment in the amount of \$38,362 to the contractor, San Luis Gonzaga/Ranger Pipelines, a joint venture. (Quan)

20. Accepting work performed for Clean Water Program Contract No. CW-158, Southeast Water Pollution Control Plant Buildings 930/850 and 040/041 Reroofing Project as complete; and approving final payment in the amount of \$43,334 to the contractor, Pioneer Roofing Organization. (Quan)

PROFESSIONAL SERVICE CONTRACTS

Award

21. Authorizing the General Manager of Public Utilities to negotiate and execute contracts with the selected pool of consultants, Brown, Vence and Associates, Newcomb Anderson Associates, and ESS Engineering to provide as-needed energy-engineering professional services for a total cost not to exceed \$920,000 over four years. (Continued from the meeting of July 27, 1999.) (Klein)

CLOSED SESSION

22. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a): (Simpson)

Existing Litigation: Yee v. City and County of San Francisco
Superior Court No. 980-740
City's Claim Against Builders Risk Carrier

23. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a): (Clayton)

Existing Litigation: Bay Delta Hearings before the State Water Resources Resources Control Board.

24. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property: Balboa Reservoir Property at Phelan and Ocean Avenue
Parties Negotiating: CCSF – Dowd/Kubick
San Francisco City College
Under Negotiation: Terms

25. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property: Portions of Parcel 65 in Sunol, Alameda County
Parties Negotiating: CCSF – Dowd/Milstein
Lessee: Mission Valley Rock/RMC Lonestar
Under Negotiation: Price and Terms

26. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b)(c) and
Conference with Real Property Negotiator – Pursuant to Government Code Section 54956.8:

Anticipated Litigation: As Plaintiff and as Defendant
Property: 500+ acres of San Francisco Water Department property on
Bernal Avenue in Alameda County
Parties Negotiating: Lymburn/Thompson/Malamut
City of Pleasanton
Under Negotiation: Terms and Conditions

27. Public comments on matters to be discussed in Closed Session.

28. Motion on whether to assert the attorney-client privilege regarding the matters listed above as
Conference with Legal Counsel.

THE PUBLIC UTILITIES COMMISSION WILL GO INTO CLOSED SESSION TO DISCUSS
ABOVE LISTED CLOSED SESSION MATTERS.

FOLLOWING THE CLOSED SESSION, THE PUBLIC UTILITIES COMMISSION WILL
RECONVENE IN PUBLIC SESSION.

29. Announcement following Closed Session.

30. Motion regarding whether to disclose the discussions during Closed Session.

ADJOURNMENT

ADDENDUM TO PUC AGENDA

City and County of San Francisco
Public Utilities Commission

August 10, 1999

1:30 P.M.

City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

REGULAR BUSINESS

10.a. Discussion regarding "pass through" subcontracting within professional service contracts. (Moran)

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MINUTES

PUBLIC UTILITIES COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

REGULAR MEETING

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1:30 P.M.
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System Planning Environment and Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

1. Call to Order: 1:35 P.M.
2. Roll Call: Present - President Ann Moller Caen, Vice President Frank L. Cook, Commissioner E. Dennis Normandy, Commissioner Victor G. Makras
Excused - Commissioner Ben L. Hom
3. Public Hearing - To consider amending Rule 6, Organization and Election of Officers, of the Rules of Order of the Public Utilities Commission.

Commissioner Normandy moved to amend the Rules of Order so that the term of office of officers will coincide with the calendar year. Commissioner Makras seconded. President Caen stated that she received a request to continue Item 3 to the next meeting. Commissioner Normandy and Commissioner Makras withdrew their motion.

4. Election of Officers

Commissioner Makras moved, seconded by Commissioner Normandy to continue Items 3 and 4 to the next regular Commission meeting scheduled on August 24, 1999; passed (4-0) unanimously.

5. Approval of Minutes

Commissioner Makras requested that approval of the Minutes of the July 27, 1999 be continued to the next meeting. He had asked the Commission Secretary to make changes to the Minutes to include comments he made. Those changes were made but he did not have the time to review them earlier and send to the Commission before today's meeting.

6. Communications

There was no action.

7. Introduction of Old/Ongoing Business by Commissioners

Commissioner Makras expressed concerns in the way business is conducted in the department. He said he had requested a black line version of the Request for Proposals for Program Management and he has not received it. He also requested that an item be calendared for today's meeting and it was not included in the published agenda. An addendum agenda was published when he called it to the attention of the General Manager. He said that he would seriously focus on the timeliness of staff's response as timing and free flow of information is everything when it comes to issues.

Commissioner Normandy requested staff to fast track the fact-finding process relative to the sewer repair work on the property at Webster and Marina. He requested that staff give a full report to the Commission at the next meeting and present all documentation submitted by constituents, a full analysis from staff on why the work took so long to complete, how much money was involved, and a recommendation on how the situation on this particular property could be corrected, and how could this be prevented from happening again.

8. Introduction of New Business by Commissioners

President Caen directed staff to prepare a report regarding the condition of the sewer system and the department's plan for maintenance, repair and replacement.

9. Report of the General Manager

a. Chinatown Outreach

Anson B. Moran, General Manager of Public Utilities, advised that staff will be presenting a proposal at the next PUC meeting to establish a customer service office in Chinatown, formerly shared by PG&E and Pacific Bell.

b. Y2K

Mr. Moran reported that staff had been working with the City's Centralized Y2K Task Force over the last couple of weeks to make sure that PUC's Y2K efforts are compatible with the City-wide program. He stated that there could be additional costs involved to conform PUC's practice with the City wide program. Staff will return to the Commission to report about this implication and the drill for Y2K readiness that will be conducted in September.

c. California Water Awareness Efficiency Award for Residential Programs

John Mullane reported that the Water Conservation Unit of the Customer Service Bureau, was recently awarded the 1999 *California Water Awareness Efficiency Award for Residential Programs* by the Association of California Water Agencies. The award was given in recognition of the Water Conservation Unit's partnering effort with community and school groups during the toilet sales program. Kimberly Knox, Conservation Administrator, and Alex Nwosu, Rebate and Sales Coordinator, presented the award to the Commission.

10. Public Comments

There was none.

REGULAR

10.a. Discussion regarding “pass through” subcontracting within professional service contracts.

Commissioner Makras requested staff to present to the Commission a comparison of real contracts - an ideal contract and a troubled contract that represents unwarranted amount of pass through.

11. Presentation on Protection and Security of Watershed and Rights of Way Lands.

Joseph Naras of the Water Supply & Treatment Division Land and Resource Section gave a slide presentation regarding protection and safety of watershed and right of way lands. Mr. Naras discussed the areas of responsibilities of the Land and Resource Section, which includes watershed management, access permit issuance and right of way management. The Land and Resource Section manages and protects 63,000 acres of watershed and 210 miles of right of way lands that PUC owns in Alameda, Santa Cruz and San Mateo counties. Mr. Naras noted that staff performs numerous duties to protect water quality, reduce the risk of fire, protect water reservoir capacity and manage ecological reserves. They respond to various incidents such as fire, hazardous material spills, vandalism, theft of City property, trespass, abandoned vehicles, vehicular accidents, flood and storms, earthquake, medical aid, and routine law enforcement. He stated that immediate response is a very important aspect in securing our watershed and right of way properties.

Mr. Naras reported that improvements have been recently completed to improve the security in the watershed such as the acquisition of better radio equipment and satellite telephone access for emergency to refine the existing operating and reporting procedures to implement a vehicle tracking dispatch systems, and to provide hazardous materials awareness training to staff. He stated that the Land and Resource Section needs proper staffing and additional security and protection equipment to continually protect the watershed and right of way properties.

Commissioner Normandy urged the Commission to raise the level of priority for those issues presented by staff. He noted that this presentation helps dispel public myths regarding the presence of watershed keepers in the watershed. He suggested looking at the policies, procedures, and improvements in the areas of backup for personnel, fencing of properties, vehicles and equipment for fire safety and immediate response.

Commissioner Cook suggested that staff coordinate with law enforcement agencies of the different counties to achieve the highest safety precaution for personnel, the public and our resources. He also suggested giving this presentation to the public to raise their awareness regarding the department's objective of safeguarding the security of watershed and PUC personnel.

Commissioner Normandy suggested looking into the latest development in fire truck technology.

12. Modifying existing PUC policy to permit the use of metal halide street lighting as an alternative to high-pressure sodium vapor street lighting for the planned development at Mission Bay and similar future developments.

Item 12 was removed from the agenda as requested by staff.

Items 13 and 14 were taken together. Commissioner Makras moved, seconded by Commissioner Cook to adopt Items 13 and 14; passed (4-0) unanimously.

13. Resolution No. 99-0212: Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission for Clean Water Program Contract No. CW-242E, Polk Street Emergency Sewer Replacement; and requesting the Board of Supervisors to approve the expenditure of funds for the emergency work.
14. Resolution No. 99-0213: Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission for Clean Water Program Contract No. CW-252E, Broadway Emergency Sewer Replacement; and requesting the Board of Supervisors to approve the expenditure of funds for the emergency work.

LEASES AND PERMITS

15. Authorizing acquisition of two contiguous lots located in the City of San Francisco, identified as Assessors Block 4501, Lots 3 and 4 for expansion of the Southeast Plant Booster Pump Station.

Moved by Commissioner Makras, seconded by Commissioner Normandy, to adopt Item 15; passed (4-0) unanimously.

Resolution No. 99-0214: Authorizing the Director of Property to acquire two contiguous lots located in the City of San Francisco, identified as Assessors Block 4501, Lots 3 and 4 which abut the existing Southeast Plant Booster Pump Station for expansion of the Pump Station.

CONSTRUCTION CONTRACTS

Advertise

16. Authorizing bid call for Clean Water Program Contract No. CW-216, Oceanside Water Pollution Control Plant Parallel Electric Service Feeder.

Commissioner Makras inquired about the reason for acquiring a parallel electric system and whether a more powerful generator should be acquired. Michael Quan, Manager of the Utilities Engineering Bureau, responded that there are currently two emergency feeds to the plant but the plant needed another redundant system from PG&E. He explained that emergency generators are run by fuel which puts generators out of service when the fuel runs out. The generators at the plants are fueled by digester gas. William Keaney, Manager of the Bureau of Water Pollution Control, also noted that the emergency generators only meet 20% of power demand at the plant and the treatment plant cannot operate with that capacity.

Commissioner Makras inquired why the issue of backup power system was not brought to the Commission as a policy decision. Commissioner Normandy concurred that this should be a policy decision to make sure that our facilities relying on electric power will have sufficient redundant power. Mr. Moran responded that staff viewed it as a design question rather than a policy decision since the existing backup system in this case was not sufficient to power the plant and the power source was not capable of running the plant.

Mr. Keaney noted that the Environmental Protection Agency (EPA) standards for the treatment plant call for the ability to operate in all conditions and none of our facilities has emergency power that will provide full operation.

Responding to Commissioner Makras' question, Lawrence T. Klein, General Manager of Hetch Hetchy Water & Power, stated that there is a history of power outage associated with the PG&E system and that system itself is unstable. He said the system being requested now is a dedicated cable to provide a more stable power system and it was not to address the power outage in December 1998.

Moved by Commissioner Cook, seconded by Commissioner Normandy, to adopt Item 16; passed (4-0) unanimously.

Resolution No. 99-0215: Approving the plans and specifications and authorizing advertisement for bids for Clean Water Program Contract No. CW-216, Oceanside Water Pollution Control Plant Parallel Electric Service Feeder.

Award

17. Awarding Hetch Hatchy Water & Power Contract No. HH-874 Hetch Hatchy Road – Storm Repair.

Commissioner Makras inquired which project was the money coming from to fund this project. Mr. Moran stated that the funds would come from one of the projects that was ready for close out and previously identified in the budget. Commissioner Makras requested that staff provide background information regarding the project being defunded.

Moved by Commissioner Makras, seconded by Commissioner Cook, to adopt Item 17; passed (4-0) unanimously.

Resolution No. 99-0216: Awarding Hetch Hatchy Water & Power Contract No. HH-874 Hetch Hatchy Road – Storm Repair in the amount of \$3,272,491.80 to Homer J. Olsen, Inc; and approving transfer of funds in the amount of \$1,150,000 for this project.

18. Awarding San Francisco Water Department Contract No. WD-2293, Backup Power for Water Quality Monitoring Stations.

Moved by Commissioner Normandy, seconded by Commissioner Makras, to adopt Item 18; passed (4-0) unanimously.

Resolution No. 99-0217: Awarding San Francisco Water Department Contract No. WD-2293, Backup Power for Water Quality Monitoring Stations, in the amount of \$190,500 to the lowest responsive and responsible bidder, LTM Construction.

Close

19. Accepting work performed for Clean Water Program Contract No. 1106N, Western Presidio Drainage Improvement Project as complete.

President Caen inquired why the MBE/WBE goals were not reached. Mr. Quan responded that the WBE goal was not met as the prime contractor reduced the amount of work that the WBE was originally scheduled to perform at the request of their client, US Park Service.

Commissioner Makras expressed concerns about timely payments to contractors for work that has been completed. He asked what the policy was for closing out contracts. Mr. Quan responded that there was no policy in place.

Commissioner Cook asked what would be a reasonable close out time frame. Mr. Quan stated that it differs on a case by case basis since there are times that staff has to wait for the contractor to complete their paper work. Commissioner Makras requested staff to work on guidelines in closing contracts that will work for the department and the contractors.

Moved by Commissioner Cook, seconded by Commissioner Normandy, to adopt Item 19; passed (4-0) unanimously.

Resolution No. 99-0218: Accepting work performed for Clean Water Program Contract No. 1106N, Western Presidio Drainage Improvements Project as complete; and approving final payment in the amount of \$38,362 to the contractor, San Luis Gonzaga/Ranger Pipelines, a joint venture.

20. Accepting work performed for Clean Water Program Contract No. CW-158, Southeast Water Pollution Control Plant Reroofing Project as completed.

Commissioner Makras commented that the contract change order included flashing which should have been included in the normal course of a roof bid. He noted that either our bid specifications were very poor or the contract modification was generous to the contractor.

President Caen inquired why the contractor did not meet the MBE goals. Mr. Quan responded that the subcontractor was too busy with other projects that they did not have the time to work on this project.

Commissioner Cook commented that the prime contractor has an obligation to perform according to the contract and there has to be a policy to penalize those that do not comply with MBE/WBE goals. Commissioner Makras suggested exploring options to monitor or impose penalty for non-compliance.

Panetta Scott of the Human Rights Commission responded that Section 12D of the MBE/WBE Ordinance states that a penalty can be imposed including, but not limited to, refuse to grant the award, order suspension of contract or withhold funds when a contractor fails to meet the goals. She stated that she felt that the prime should not be penalized since they made a good faith effort, they listed the subs and they met the subcontracting goals. The particular subcontractor was very busy at the time and they have negotiated to increase the WBE/MBE participation on their future contracts. Responding to Commissioner Makras' question, Ms. Scott said non-compliance with the Ordinance is not widespread in the City.

Commissioner Cook commented that it is the prime contractor's obligation to assign someone else to do the work and advise staff regarding non-performance of a sub. Ms. Scott stated that the prime did a substitution on the plumbing and materials portion of the work but could not bring another substitution due to time constraint and possible liquidated damages. Commissioner Cook stated that he does not subscribe to upping the goals on the next project.

Moved by Commissioner Makras, seconded by Commissioner Normandy, to adopt Item 20; passed (4-0) unanimously.

Resolution No. 99-0219: Accepting work performed for Clean Water Program Contract No. CW-158, Southeast Water Pollution Control Plant Buildings 930/850 and 040/041 Reroofing Project as complete; and approving final payment in the amount of \$43,334 to the contractor, Pioneer Roofing Organization.

PROFESSIONAL SERVICE CONTRACTS

Award

21. Authorizing the General Manager of Public Utilities to negotiate and execute contracts with selected pool of consultants to provide as-needed energy-engineering professional services. (Continued from the meeting of July 27, 1999.)

President Caen stated that staff had answered all the questions she had on this particular item and a leading energy consultant in Chicago reviewed those responses and they were impressed with the method and concept of bringing in energy consultants. The consultant also felt that there are great savings associated with the project.

President Caen asked clarification on whether the 11%, 4% MBE/WBE participation goals would be actually met for this contract. She stated that an HRC study in June 1998 indicated that there were zero MBE/WBE firms in the energy consulting discipline. Terry Sullivan of the Bureau of Energy Conservation stated that the subcontractors identified are electrical and mechanical engineering firms that could perform sub areas of the work scope. The pure energy efficiency engineering work is going to be done by none MBE/WBE prime contractor. Mr. Sullivan stated that he anticipates that the goals would be met.

Moved by Commissioner Makras, seconded by Commissioner Normandy, to adopt Item 21; passed (4-0) unanimously.

Resolution No. 99-0220: Authorizing the General Manager of Public Utilities to negotiate and execute contracts with the selected pool of consultants, Brown, Vence and Associates, Newcomb Anderson Associates, and ESS Engineering to provide as-needed energy-engineering professional services for a total cost not to exceed \$920,000 over four years.

CLOSED SESSION

22. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a):

Existing Litigation: Yee v. City and County of San Francisco

Moved by Commissioner Normandy, seconded by Commissioner Makras to approve a settlement for Item 22; passed (4-0) unanimously.

Resolution No. 99-0221: Approving a settlement in the case of Yee v. City and County of San Francisco, Superior Court No. 980-740, City's Claim Against Builders Risk Carrier.

23. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a):

Existing Litigation: Bay Delta Hearings before the State Water Resources Resources Control Board.

No action was taken.

24. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property: Balboa Reservoir Property at Phelan and Ocean Avenue
Parties Negotiating: CCSF – Dowd/Kubick
San Francisco City College
Under Negotiation: Terms

No action was taken.

25. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property:	Portions of Parcel 65 in Sunol, Alameda County
Parties Negotiating:	CCSF – Dowd/Milstein
Lessee:	Mission Valley Rock/RMC Lonestar
Under Negotiation:	Price and Terms

No action was taken.

26. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator – Pursuant to Government Code Section 54956.8:

Anticipated Litigation:	As Plaintiff and as Defendant
Property:	500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County
Parties Negotiating:	Lymburn/Thompson/Malamut
City of Pleasanton	
Under Negotiation:	Terms and Conditions

No action was taken.

27. Public Comments on matters to be discussed in Closed Session.

There was none.

28. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

Commissioner Makras was excused at 3:15 p.m. and returned at 3:20 P.M.

Moved by Commissioner Normandy, seconded by Commissioner Cook, to assert the attorney-client privilege; passed (3-0) unanimously.

The Public Utilities Commission met in Closed Session at 3:16 P.M. to discuss the above listed Closed Session items:

At 5:22 P.M., the Public Utilities Commission reconvened in open session.

29. Announcement following Closed Session.

President Caen announced the actions taken during the Closed Session.

30. Motion regarding whether to disclose the discussions during Closed Session.

Moved by Commissioner Cook, seconded by Commissioner Normandy, not to disclose the discussion during the Closed Session; passed (4-0) unanimously.

Thereupon, the meeting was adjourned: 5:23 P.M.

Romaine A. Boldridge
Secretary

AGENDA

PUBLIC UTILITIES COMMISSION CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

REGULAR MEETING

August 24, 1999
1:30 P.M.
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

199
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AUG 20 1999

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San Francisco Lobbyist Ordinance

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance [SF Admin Code §16.520-16.534] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 1390 Market Street #801, San Francisco, CA 94102, telephone (415) 554-9510, fax (415) 703-0121 and web site <http://www.ci.sf.ca.us/ethics/>.

ORDER OF BUSINESS:

1. Call to Order
2. Roll Call
3. Public Hearing - To consider amending Rule 6, Organization and Election of Officers, of the Rules of Order of the Public Utilities Commission. (Continued from the meeting of August 10, 1999.) (Moran)
4. Election of Officers (Continued from the meeting of August 10, 1999.)
5. Approval of Minutes
6. Communications
7. Introduction of Old/Ongoing Business by Commissioners
8. Introduction of New Business by Commissioners
9. Report of the General Manager
 - a. Sewer Repair (Moran)
10. Public Comments

Members of the public may address the Commission on matters that are within the Commission's jurisdiction and are not on today's agenda.

THE FOLLOWING MATTERS BEFORE THE PUBLIC UTILITIES COMMISSION ARE RECOMMENDED FOR ACTION AS STATED, BY THE GENERAL MANAGER OF PUBLIC UTILITIES, AND CITY ATTORNEY WHERE APPLICABLE.

REGULAR BUSINESS

11. Acknowledging the exceptional service of Michele M. Pla, Manager of the Planning and Control Division of the Bureau of System Planning, Environment and Compliance and the Clean Water Program upon her resignation from the Public Utilities Commission. (Moran)
12. Modifying existing PUC policy to permit the use of metal halide street lighting as an alternative to high-pressure sodium vapor street lighting for large development areas; and approving use of metal halide street lighting for the planned development at Mission Bay. (Klein)
13. Authorizing the Customer Service Bureau to request the City's Real Estate Department to enter into negotiations for a lease of certain space at 863 Clay Street to allow for the provision of various PUC related services to the Chinatown community and that the Bureau of Finance identify a source of funding for the lease cost. (Mullane)
14. Report on the status of the San Francisco Public Utilities Commission Santa Clara Valley Water District Emergency Intertie Project. 7 mins. (Quan)
15. Presentation of an overview of the planned PUC Y2K Contingency Plan Exercise. (Olsen)
16. Report regarding security of watershed and rights of way lands under the jurisdiction of Hetch Hetchy Water & Power. 7 mins. (Halstead)
17. Discussion of implementation of the Housing Policy. 5 mins. (Olsen)

LEASES AND PERMITS

18. Authorizing the General Manager of Public Utilities Commission to execute a revocable permit to Kaiser Aluminum & Chemical Corporation to perform soil remediation on SFPUC property (commonly known as Bernal Property) at the Cow Pond site located in an unincorporated area of Alameda County. (Dowd)

19. Authorizing the General Manager of Public Utilities Commission to execute a permit with YMCA of San Francisco-Stonestown Branch, for conducting a youth soccer program on a portion of Parcel 56 of San Francisco lands (aka Merced Manor Reservoir) in San Francisco. (Dowd)
20. Authorizing the General Manager of Public Utilities Commission to execute a lease with San Francisco Community College District to occupy a 2,475 square foot building formerly leased by the California Book Co. located at 11 Phelan Avenue in San Francisco at an annual rental rate of \$59,305.68. (Dowd)

CONSTRUCTION CONTRACTS

Advertise

21. Approving the final plans and specifications; and authorizing advertisement for bids for Clean Water Program Contract No. CW-164, Alemany/Mount Vernon/Joost Sewer Replacement. (Quan)
22. Approving the final plans and specifications; and authorizing advertisement for bids for Clean Water Program Contract No. CW-253, Oceanside Water Pollution Control Plant Digester Complex and Gas Holder Coatings Rehabilitation. (Quan)

Award

23. Awarding Hetch Hetchy Contract HH-884, Rock River Lime Plant Improvements, in the amount of \$313,000, to the lowest responsive bidder, Jin Construction. (Quan)
24. Awarding Clean Water Program Contract No. CW-211, 4th Avenue/10th Avenue/Anza Street/Cabrillo Street Sewer Replacement, in the amount of \$448,000 to the lowest responsive and responsible bidder, K. J. Woods Construction, Inc. (Quan)
25. Awarding Clean Water Program Contract No. CW-230, Taber Place/Gough Street Sewer Replacement, in the amount of \$161,936 to the lowest responsive and responsible bidder, JMB Construction, Inc. (Quan)

26. Awarding Hetch Hetchy Water & Power Contract No. HH-836, Priest Reservoir Spillway and Outlet Tunnel Modifications, in the amount of \$1,242,500 to the lowest responsive bidder. Proven Management, Inc. and approving the transfer of funds from Priest Reservoir Bypass Project to this project. (Quan)

PROFESSIONAL SERVICE CONTRACTS

Advertise

27. Authorizing the Water Quality Bureau to request proposals, conduct interviews, select and recommend to this Commission, qualified firms for two separate agreements to provide specialized engineering and environmental services, each for a period of two (2) years, with a total spending authority not to exceed \$2,000,000. (DeGraca)

28. Authorizing the General Manager of Public Utilities to issue a Request for Qualifications to provide legislative representation and advocacy services before the Congress and federal agencies in the areas of water, energy, wastewater, and natural resources. (Medbery)

Amend

29. Authorizing the General Manager of Public Utilities Commission to execute a tenth amendment to the professional consulting services contract with The Planning Collaborative (TPC) amending the scope of services; increasing the contract amount by an additional \$311,000 and extending the term of the contract to March 31, 2000. (Dowd)

30. Amending the contract, "Amendment No. 2 to Agreement (50855) for a Study of Unfiltered Water Supply Systems among Municipal Water Supply Entities", between the City of Portland and other large unfiltered water utilities, for an amount not to exceed \$67,633. (Medbery)

CLOSED SESSION

31. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property:	Portions of Parcel 65 in Sunol, Alameda County
Parties Negotiating:	CCSF – Dowd/Milstein
Lessee:	Mission Valley Rock/RMC Lonestar
Under Negotiation:	Price and Terms

32. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator – Pursuant to Government Code Section 54956.8:

Anticipated Litigation:	As Plaintiff and as Defendant
Property:	500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County
Parties Negotiating:	Lymburn/Thompson/Malamut
City of Pleasanton	
Under Negotiation:	Terms and Conditions

33. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a): (Killelea)

Existing Litigation:	Lucretia Henderson v. City and County of San Francisco. Superior Court No. 977-032
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34. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a): (Greenman)

Existing Litigation:	Catherine Cannon v. City and County of San Francisco. Superior Court No. 990-385
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35. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(c) and San Francisco Administrative Code Section 67.11(b): (Roddy)

Anticipated Litigation:	As Plaintiff Regarding Site Clean Up
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36. Public comments on matters to be discussed in Closed Session.

37. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

THE PUBLIC UTILITIES COMMISSION WILL GO INTO CLOSED SESSION TO DISCUSS ABOVE LISTED CLOSED SESSION MATTERS.

FOLLOWING THE CLOSED SESSION, THE PUBLIC UTILITIES COMMISSION WILL RECONVENE IN PUBLIC SESSION.

38. Announcement following Closed Session.
39. Motion regarding whether to disclose the discussions during Closed Session.

ADJOURNMENT

32
3
124/99

MINUTES

PUBLIC UTILITIES COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

REGULAR MEETING

August 24, 1999
1:30 P.M.
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras
Ben L. Hom

DOCUMENTS DEPT.

NOV 08 1999

SAN FRANCISCO
PUBLIC LIBRARY

DEPARTMENTS

Water Department
 City Distribution Division
 Water Supply & Treatment
Hetch Hetchy
Clean Water Program
 Water Pollution Control

BUREAUS

Commercial Land Management
Customer Service
Finance
Management Information Systems
Personnel and Training
System Planning Environment and Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

1. Call to Order: 1:37 P.M.
2. Roll Call: Present - President Ann Moller Caen, Commissioner E. Dennis Normandy, Commissioner Victor G. Makras, Commissioner Ben L. Hom

Vice President Frank L. Cook arrived at 1:39 P.M.

3. Public Hearing - To consider amending Rule 6, Organization and Election of Officers, of the Rules of Order of the Public Utilities Commission. (Continued from the meeting of August 10, 1999.)

President Caen invited public comments. There was none received.

Moved by Commissioner Hom, seconded by Commissioner Normandy to adopt Item 3; passed (4-0) unanimously.

Resolution No. 99-0222: Amending Rule 6, Organization and Election of Officers, of the Rules of Order of the Public Utilities Commission.

Commissioner Cook arrived during the election of officers.

4. Election of Officers (Continued from the meeting of August 10, 1999.)

Commissioner Normandy moved, seconded by Commissioner Hom to elect Ann Moller Caen for President and Frank L. Cook for Vice President until January 2000. The Commission voted unanimously.

5. Approval of Minutes

The Commission continued the Minutes of the Regular Meeting of July 27, 1999 to the next regular meeting scheduled on September 14, 1999.

The Commission unanimously approved the Minutes of the Regular Meeting of August 10, 1999.

6. Communications

President Caen noted that the Commission had received the Hetch Hetchy Water & Power Business Plan, which will be calendared for discussion at the next meeting.

7. Introduction of Old/Ongoing Business by Commissioners

Commissioner Normandy requested that staff schedule Item 11 for discussion at the next Commission meeting. Item 11 calls for a report regarding sewer repair work in Webster Street.

Commissioner Cook thanked Michael Quan for the memo he received addressing performance bonds for professional service contracts. He suggested looking into the recommendations as a way of enforcing performance by contractors and requested discussion of a policy at the Call of the Chair.

8. Introduction of New Business by Commissioners

Commissioner Normandy requested staff to fast track the application of the new logo to the PUC's fleet of vehicles for the new millennium and provide information on the extent of the fleet and the costs involved.

Commissioner Makras requested staff to brief the Commission at the next meeting regarding issues of concern to the Bay Area Water Users Association.

9. Report of the General Manager

William T. Berry, Assistant General Manager for Finance & Administration, served as Acting General Manager.

a. Sewer Repair

This item was rescheduled for the next Commission meeting on September 14, 1999.

b. Lawrence T. Klein, General Manager, Hetch Hetchy Water & Power, reported a fire that broke yesterday where Cherry Oil Road meets our right of way towards Early Intake. Mr. Klein stated that power generation was shut off in the area. He expects to receive authority to return to operation by the end of the day.

10. Public Comments

Latika Malkani of the Commission on the Status of Women commented that based on their department's review of the PUC's Request for Proposal (RFP) for Program Management Services, they believe that the years of experience required in the RFP may impact women differently and could eliminate opportunities for women.

President Caen announced that Items 17, 18 and 29 were deferred until after Closed Session.

REGULAR BUSINESS

11. Acknowledging the exceptional service of Michele M. Pla.

Steve Medbery, Manager of the Bureau of System Planning Environment and Compliance, spoke of Michele Pla's achievements during her employment with the Clean Water Program and the Public Utilities Commission.

Item 11 was approved by acclamation. The Commission presented the resolution to Ms. Pla.

Resolution No. 99-0223: Acknowledging the exceptional service of Michele M. Pla, Manager of the Planning and Control Division of the Bureau of System Planning, Environment and Compliance and the Clean Water Program upon her resignation from the Public Utilities Commission.

12. Modifying existing PUC policy to permit the use of metal halide street lighting as an alternative to high-pressure sodium vapor street lighting for large development areas; and approving use of metal halide street lighting for the planned development at Mission Bay.

Lawrence T. Klein, General Manager of Hetch Hetchy Water & Power, responded to questions from the Commissioners. He stated that all developers pay for lighting for the site they are developing. However in the case of the Mission Bay Project, the developer, Catellus Development Corporation, agreed to pay for the lighting structures and provide replacement bulbs and parts through a five-year period. The City will bear the cost for maintenance and repair of the lights.

Commissioner Makras asked why should an exception to the policy be made if the change was not a better, smarter and cheaper way of doing business. If it is better, smarter, and cheaper then the policy for the entire City should be changed. He cautioned the Commission from approving something that would increase the department's operating budget but would not provide a direct advantage to the City of San Francisco.

Commissioner Normandy noted that the Commission previously adopted a resolution calling for a demonstration project using metal halide lighting as an alternative to high-pressure sodium vapor (HPSVP) lighting. He asked about the results of the demonstration project. Mr. Klein stated that there were two pilot projects actually built but staff had not received any significant feedback.

Amy Neches, Senior Project Manager with the San Francisco Redevelopment Agency, commented in support of the resolution. She stated that metal halide lights are a superior light source, more attractive, and they fit the objective to develop a different streetscape for Mission Bay that befits the 21st century. She noted that Catellus is willing to provide a supply of parts and light bulbs in the first few years to relieve the City of additional cost.

Commissioner Normandy commented that he would support the exception to the policy, if the cost will be borne by the developer.

Commissioner Cook asked whether the developer would provide spare parts and bulbs for a period of time as each new section is installed during the build out of the project.

President Caen directed staff to provide specific details of the cost of metal halide lighting to the City.

Commissioner Makras stated that there are cost implications when we change the way we do business. If we make an exception for this project, there are issues such as maintenance and labor force involved. He noted that the Commission needs more time to decide to change a policy that affects the whole City. He stated that he supports the Mission Bay Redevelopment Project but the Commission has responsibility with regard to lighting.

Moved by Commissioner Makras, seconded by Commissioner Hom to continue Item 12 to the next regular Commission meeting scheduled on September 14, 1999; passed (5-0) unanimously.

13. Lease of certain space at 863 Clay Street to provide various PUC related services to the Chinatown community.

John P. Mullane, Manager of Customer Service Bureau, noted that the space at 863 Clay Street would be used to establish a pay station in the Chinatown community that would provide various services including collection of water and sewer bills, and sign up for different programs such as toilet sales, toilet rebate program, and lead-free faucet sales.

Commissioner Normandy suggested that in line with next year's district election for the Board of Supervisors we should also be looking into establishing a customer service office in each of the districts to have a continuing outreach program parallel with the Board of Supervisors.

President Caen stated that the lease should be negotiated on an annual term and reviewed next year to measure its success.

Moved by Commissioner Cook, seconded by Commissioner Normandy, to adopt Item 13; passed (5-0) unanimously.

Resolution No. 99-0224: Authorizing the Customer Service Bureau to request the City's Real Estate Department to enter into negotiations for a lease of certain space at 863 Clay Street to allow for the provision of various PUC related services to the Chinatown community and that the Bureau of Finance identify a source of funding for the lease cost.

14. Report on the status of the San Francisco Public Utilities Commission-Santa Clara Valley Water District (SFPUC-SCVWD) Emergency Intertie Project.

Phil Dela Cruz, Project Manager from the Utilities Engineering Bureau, gave a slide presentation regarding the status of the SFPUC-SCVWD Emergency Intertie Project. The Intertie Project will provide emergency water supply for either Santa Clara or San Francisco of up to 40 mgd in case of an emergency or planned maintenance activity. Mr. Dela Cruz discussed the project description and the proposed site location for the Intertie Project. He stated that a conceptual engineering study evaluated several site alternatives for the project and the most practical site they found was located on a private property adjacent to the SFPUC right of way. The preliminary negative declaration comments are being incorporated and 90% completed. Contract documents will be completed in November 1999 with an estimated contract cost of \$10.3 million, which will be equally shared with Santa Clara. The construction is estimated to begin in April 2000 and to be completed in October 2001.

Mr. Dela Cruz stated that staff will be returning to the Commission to obtain approval to purchase the property adjacent to the right of way and to enter into two agreements with the SCVWD; the first, for the construction of the Intertie facilities, and the second, for the operation and maintenance of the facilities upon completion.

15. Presentation of an overview of the planned PUC Y2K Contingency Plan Exercise.

Carolyn H. Olsen, Assistant General Manager for Operations, reported that the Contingency Plan involves a series of local exercises at the different facilities of the PUC. Each operating division will have a site-specific Y2K exercise involving a review of the contingency plan and events that could happen in their division. Ms. Olsen noted that on September 17, 1999 there would be a full-scale PUC exercise on Turk Street. Staff will report the result of that exercise at the Commission meeting on September 28, 1999. Another full scale Y2K exercise is scheduled in November.

Commissioner Normandy suggested that staff inform the ratepayers regarding PUC's efforts to achieve Y2K compliance.

16. Report regarding security of watershed and rights of way lands under the jurisdiction of Hetch Hetchy Water & Power.

Alexis Halstead, Superintendent of Operations, Hetch Hetchy Water & Power, gave a slide presentation. Ms. Halstead discussed the areas of responsibilities in securing watershed and right of way lands up country. Those areas include management of natural resources, e.g. reservoir releases, stream flows and Raker Act implementation; emergency response; surveillance and monitoring; and access control. The watershed keepers often face difficult working conditions in carrying out these responsibilities, as they have to deal with adverse weather conditions, extreme heights, remote location, and difficult terrain.

The watershed keepers were provided training for life support, CPR, hypothermia, fall prevention, winter driving conditions and rope rescue. Ms. Halstead stated that in order to enhance employee safety, we need to provide our employees with additional training, provide them with reliable communications equipment, establish effective relationship with other authorities, and conduct emergency response drills. She stated that to ensure watershed security, we need to have local presence in remote areas, train employees, provide facility alarms and reliable communications equipment, keep up with the right-of-way maintenance, and maintain effective relationships with other local agencies.

Items 17 and 18 were deferred until after the Closed Session.

Commissioner Makras was excused at 2:40 P.M.

LEASES AND PERMITS

19. Authorizing a permit with YMCA of San Francisco-Stonestown Branch.

Moved by Commissioner Cook, seconded by Commissioner Normandy, to adopt Item 19; passed (4-0) unanimously.

Resolution No. 99-0225: Authorizing the General Manager of Public Utilities Commission to execute a permit with YMCA of San Francisco-Stonestown Branch, for conducting a youth soccer program on a portion of Parcel 56 of San Francisco lands (aka Merced Manor Reservoir) in San Francisco.

20. Authorizing a lease with San Francisco Community College District to occupy a 2,475 square foot building at 11 Phelan Avenue in San Francisco.

Moved by Commissioner Hom, seconded by Commissioner Cook, to adopt Item 20; passed (4-0) unanimously.

Resolution No. 99-0226: Authorizing the General Manager of Public Utilities Commission to execute a lease with San Francisco Community College District to occupy a 2,475 square foot building formerly leased by the California Book Co. located at 11 Phelan Avenue in San Francisco at an annual rental rate of \$59,305.68.

CONSTRUCTION CONTRACTS

Advertise

21. Authorizing advertisement for bids for Clean Water Program Contract No. CW-164.

Moved by Commissioner Cook, seconded by Commissioner Normandy, to adopt Item 21; passed (4-0) unanimously.

Resolution No. 99-0227: Approving the final plans and specifications; and authorizing advertisement for bids for Clean Water Program Contract No. CW-164, Alemany/Mount Vernon/Joost Sewer Replacement.

22. Authorizing advertisement for bids for Clean Water Program Contract No. CW-253.

Moved by Commissioner Hom, seconded by Commissioner Normandy, to adopt Item 22; passed (4-0) unanimously.

Resolution No. 99-0228: Approving the final plans and specifications; and authorizing advertisement for bids for Clean Water Program Contract No. CW-253, Oceanside Water Pollution Control Plant Digester Complex and Gas Holder Coatings Rehabilitation.

Award

Items 23, 24, and 25 were called together.

Moved by Commissioner Normandy, seconded by Commissioner Cook, to adopt Items 23, 24, and 25; passed (4-0) unanimously.

23. **Resolution No. 99-0229:** Awarding Hetch Hetchy Contract HH-884, Rock River Lime Plant Improvements, in the amount of \$313,000, to the lowest responsive bidder, Jin Construction.

24. Resolution No. 99-0230: Awarding Clean Water Program Contract No. CW-211, 4th Avenue/10th Avenue/Anza Street/Cabrillo Street Sewer Replacement, in the amount of \$448,000 to the lowest responsive and responsible bidder, K. J. Woods Construction, Inc.

25. Resolution No. 99-0231: Awarding Clean Water Program Contract No. CW-230, Taber Place/Gough Street Sewer Replacement, in the amount of \$161,936 to the lowest responsive and responsible bidder, JMB Construction, Inc.

26. Awarding Hetch Hetchy Water & Power Contract No. HH-836, Priest Reservoir Spillway and Outlet Tunnel Modifications.

Commissioner Hom moved, seconded by Commissioner Cook, to adopt Item 26; passed (4-0) unanimously.

Resolution No. 99-0232: Awarding Hetch Hetchy Water & Power Contract No. HH-836, Priest Reservoir Spillway and Outlet Tunnel Modifications, in the amount of \$1,242,500 to the lowest responsive bidder, Proven Management, Inc. and approving the transfer of funds from Priest Reservoir Bypass Project to this project.

PROFESSIONAL SERVICE CONTRACTS

Advertise

27. Authorization to request proposals, conduct interviews, select and two separate agreements to provide specialized engineering and environmental services.

Commissioner Normandy moved, seconded by Commissioner Hom, to adopt Item 27; passed (4-0) unanimously.

Resolution No. 99-0233: Authorizing the Water Quality Bureau to request proposals, conduct interviews, select and recommend to this Commission, qualified firms for two separate agreements to provide specialized engineering and environmental services, each for a period of two (2) years, with a total spending authority not to exceed \$2,000,000.

28. Authorizing issuance of a Request for Qualifications to provide legislative representation and advocacy services.

Commissioner Normandy moved, seconded by Commissioner Hom, to adopt Item 28; passed (4-0) unanimously.

Resolution No. 99-0234: Authorizing the General Manager of Public Utilities to issue a Request for Qualifications to provide legislative representation and advocacy services before the Congress and federal agencies in the areas of water, energy, wastewater, and natural resources.

Item 29 was deferred until after the Closed Session.

30. Amending the contract, "Amendment No. 2 to Agreement (50855) for a Study of Unfiltered Water Supply Systems among Municipal Water Supply Entities".

Moved by Commissioner Normandy, seconded by Commissioner Cook, to adopt Item 30; passed (4-0) unanimously.

Resolution No. 99-0235: Amending the contract, "Amendment No. 2 to Agreement (50855) for a Study of Unfiltered Water Supply Systems among Municipal Water Supply Entities", between the City of Portland and other large unfiltered water utilities, for an amount not to exceed \$67,633.

Commissioner Makras returned at 2:47 P.M.

CLOSED SESSION

31. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property:	Portions of Parcel 65 in Sunol, Alameda County
Parties Negotiating:	CCSF – Dowd/Milstein
Lessee:	Mission Valley Rock/RMC Lonestar
Under Negotiation:	Price and Terms

No action was taken.

32. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator – Pursuant to Government Code Section 54956.8:

Anticipated Litigation: As Plaintiff and as Defendant
Property: 500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County
Parties Negotiating: Lymburn/Thompson/Malamut
City of Pleasanton
Under Negotiation: Terms and Conditions

No action was taken.

33. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a):

Existing Litigation: Lucretia Henderson v. City and County of San Francisco, Superior Court No. 977-032

Moved by Commissioner Hom, seconded by Commissioner Cook to adopt a settlement for Item 33; passed (5-0) unanimously.

Resolution No. 99-0236: Approving a settlement in the case of Lucretia Henderson v. City and County of San Francisco, Superior Court No. 977-032.

34. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a):

Existing Litigation: Catherine Cannon v. City and County of San Francisco, Superior Court No. 990-385

Moved by Commissioner Hom, seconded by Commissioner Cook to adopt a settlement for Item 34; passed (5-0) unanimously.

Resolution No. 99-0237: Approving a settlement in the case of Catherine Cannon v. City and County of San Francisco, Superior Court No. 990-385

35. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(c) and San Francisco Administrative Code Section 67.11(b):

Anticipated Litigation: As Plaintiff
Regarding Site Clean Up

No action was taken.

36. Public Comments on matters to be discussed in Closed Session.
There was none.
37. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

Moved by Commissioner Normandy, seconded by Commissioner Hom, to assert the attorney-client privilege; passed (5-0) unanimously.

The Public Utilities Commission met in Closed Session at 2:50 P.M. to discuss the above listed Closed Session matters:

At 4:28 P.M., the Public Utilities Commission reconvened in open session.

38. Announcement following Closed Session.
President Caen announced the actions taken during the Closed Session.
39. Motion regarding whether to disclose the discussions during Closed Session.
Moved by Commissioner Normandy, seconded by Commissioner Hom, not to disclose the discussion during the Closed Session; passed (5-0) unanimously.

REGULAR

17. Discussion of implementation of the Housing Policy.
Moved by Commissioner Normandy, seconded by Commissioner Hom to continue Item 17 to the call of the Chair; passed (5-0) unanimously.

LEASES AND PERMITS

18. Authorizing the General Manager of Public Utilities Commission to execute a revocable permit to Kaiser Aluminum & Chemical Corporation to perform soil remediation on SFPUC property (commonly known as Bernal Property) at the Cow Pond site located in an unincorporated area of Alameda County.
Moved by Commissioner Makras, seconded by Commissioner Hom to continue Item 18 to the call of the Chair; passed (5-0) unanimously.

PROFESSIONAL SERVICES CONTRACTS

29. Authorizing the General Manager of Public Utilities Commission to execute a tenth amendment to the professional consulting services contract with The Planning Collaborative (TPC) amending the scope of services; increasing the contract amount by an additional \$311,000 and extending the term of the contract to March 31, 2000.

Moved by Commissioner Makras, seconded by Commissioner Hom to continue Item 29 to the call of the Chair; passed (5-0) unanimously.

Thereupon, the meeting was adjourned: 4:30 P.M.

Romaine A. Boldridge
Secretary

AGENDA

PUBLIC UTILITIES COMMISSION CITY AND COUNTY OF SAN FRANCISCO

DOCUMENTS DEPT.

Willie L. Brown, Jr.
MAYOR

SEP 10 1999

4 / 99
cial 12:00 p.m.

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SPECIAL MEETING

September 14, 1999

12:00 P.M.

City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras
Ben L. Hom

DEPARTMENTS

Water Department
 City Distribution Division
 Water Supply & Treatment
Hetch Hetchy Water & Power
Clean Water Program
 Water Pollution Control

BUREAUS

Commercial Land Management
Customer Service
Finance
Management Information Systems
Personnel and Training
System Planning Environment and Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

Disability Access

The Public Utilities Commission meeting will be held in Room 400, City Hall, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA. The Commission meeting room is wheelchair accessible. The closest accessible BART station is the Civic Center Station at United Nations Plaza and Market Street. Accessible MUNI lines serving this location are: #42 Downtown Loop, and #71 Haight/Noriega and the F Line to Market and Van Ness and the Metro Stations at Van Ness and Market and at Civic Center. For information about MUNI accessible services call (415) 923-6142. There is accessible curbside parking adjacent to City Hall on Grove Street and Van Ness Avenue and in the vicinity of the Veterans Building at 401 Van Ness Avenue adjacent to Davies Hall and the War Memorial Complex.

The following services are available on request 48 hours prior to the meeting; except for Monday meetings, for which the deadline shall be 4:00 p.m. of the last business day of the preceding week: For American sign language interpreters or the use of a reader during a meeting, a sound enhancement system, and/or alternative formats of the agenda and minutes, please contact Romaine Boldridge at (415) 554-3165 or our TDD at (415) 554-3488 to make arrangements for the accommodation. Late requests will be honored, if possible.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the City accommodate these individuals. Individuals with chemical sensitivity or related disabilities should call our accessibility hotline at (415) 554-6060.

Know your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code)

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils, and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at (415) 554-4851.

San Francisco Lobbyist Ordinance

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ORDER OF BUSINESS:

1. Call to Order
2. Roll Call
3. Public Comments

Members of the public may address the Commission on matters that are within the Commission's jurisdiction and are not on today's agenda.

THE FOLLOWING MATTERS BEFORE THE PUBLIC UTILITIES COMMISSION ARE RECOMMENDED FOR ACTION AS STATED, BY THE GENERAL MANAGER OF PUBLIC UTILITIES, AND CITY ATTORNEY WHERE APPLICABLE.

CLOSED SESSION

4. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a): (Peltz)

Existing Litigation: Babyruth Salazar v. CCSF, et al, Alameda Superior Court No. H199564-0

5. Public Employee Performance Evaluation – Pursuant to Government Code Section 54957:

Position: General Manager, Public Utilities

6. Public comments on matters to be discussed in Closed Session.

7. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

THE PUBLIC UTILITIES COMMISSION WILL GO INTO CLOSED SESSION TO DISCUSS ABOVE LISTED CLOSED SESSION MATTERS.

FOLLOWING THE CLOSED SESSION, THE PUBLIC UTILITIES COMMISSION WILL RECONVENE IN PUBLIC SESSION.

8. Announcement following Closed Session.

9. Motion regarding whether to disclose the discussions during Closed Session.

ADJOURNMENT

82
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1/14/99
Special
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MINUTES

PUBLIC UTILITIES COMMISSION CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

SPECIAL MEETING

September 14, 1999
12:00 P.M.
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras
Ben L. Hom

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Water Department
 City Distribution Division
 Water Supply & Treatment
Hetch Hetchy
Clean Water Program
 Water Pollution Control

BUREAUS

Commercial Land Management
Customer Service
Finance
Management Information Systems
Personnel and Training
System Planning Environment and Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Lorna T. Navarro
ACTING SECRETARY

1. Call to Order: 12:08 P.M.
2. Roll Call: Present - President Ann Moller Caen, Commissioner E. Dennis Normandy, Commissioner Victor G. Makras, Commissioner Ben L. Hom

Vice President Frank L. Cook arrived at 12:10 P.M.

3. Public comments on matters not on today's agenda.

There was none.

CLOSED SESSION

4. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a):

Existing Litigation: Babyruth Salazar v. CCSF, et al, Alameda Superior Court No. H199564-0

Moved by Commissioner Normandy, seconded by Commissioner Hom to recommend a settlement for Item No. 4; passed (4-0) unanimously.

Resolution No. 99-0238: Recommending that the Board of Supervisors resolve and settle the claim in the case of Babyruth Salazar v. CCSF, et al, Alameda Superior Court No. H199564-0.

5. Public Employee Performance Evaluation – Pursuant to Government Code Section 54957:

Position: General Manager, Public Utilities

No action was taken.

6. Public comments on matters to be discussed in Closed Session.

There was none.

7. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

Moved by Commissioner Normandy, seconded by Commissioner Hom to assert the attorney-client privilege; passed (5-0) unanimously.

The Public Utilities Commission went into closed session to discuss the above listed closed session items at 12:12 P.M.

At 1:30 P.M., the Commission reconvened in public session.

President Caen announced that the 12:00 P.M. meeting was continued to the end of the open session of the regular 1:30 P.M. Commission meeting.

At 3:58 P.M., the Commission reconvened in closed session.

At 5:51 P.M., the Commission reconvened in open session.

8. Announcement following Closed Session.

President Caen announced the actions taken during the Closed Session.

Commissioner Makras and Commissioner Hom were excused.

9. Motion regarding whether to disclose the discussion during Closed Session.

Moved by Commissioner Normandy, seconded by Commissioner Cook not to disclose the discussion during the Closed Session; passed (3-0) unanimously.

Thereupon, the meeting was adjourned: 5:52 P.M.

Lorna T. Navarro
Acting Secretary

AGENDA

PUBLIC UTILITIES COMMISSION CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

REGULAR MEETING

September 14, 1999
1:30 P.M.
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras
Ben L. Hom

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Commercial Land Management
Customer Service
Finance
Management Information Systems
Personnel and Training
System Planning Environment and Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

Disability Access

The Public Utilities Commission meeting will be held in Room 400, City Hall, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA. The Commission meeting room is wheelchair accessible. The closest accessible BART station is the Civic Center Station at United Nations Plaza and Market Street. Accessible MUNI lines serving this location are: #42 Downtown Loop, and #71 Haight/Noriega and the F Line to Market and Van Ness and the Metro Stations at Van Ness and Market and at Civic Center. For information about MUNI accessible services call (415) 923-6142. There is accessible curbside parking adjacent to City Hall on Grove Street and Van Ness Avenue and in the vicinity of the Veterans Building at 401 Van Ness Avenue adjacent to Davies Hall and the War Memorial Complex.

The following services are available on request 48 hours prior to the meeting; except for Monday meetings, for which the deadline shall be 4:00 p.m. of the last business day of the preceding week: For American sign language interpreters or the use of a reader during a meeting, a sound enhancement system, and/or alternative formats of the agenda and minutes, please contact Romaine Boldridge at (415) 554-3165 or our TDD at (415) 554-3488 to make arrangements for the accommodation. Late requests will be honored, if possible.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the City accommodate these individuals. Individuals with chemical sensitivity or related disabilities should call our accessibility hotline at (415) 554-6060.

Know your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code)

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils, and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at (415) 554-4851.

San Francisco Lobbyist Ordinance

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance [SF Admin Code §16.520-16.534] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 1390 Market Street #801, San Francisco, CA 94102, telephone (415) 554-9510, fax (415) 703-0121 and web site <http://www.ci.sf.ca.us/ethics/>.

ORDER OF BUSINESS:

1. Call to Order
2. Roll Call
3. Approval of Minutes
4. Communications
5. Introduction of Old/Ongoing Business by Commissioners
6. Introduction of New Business by Commissioners
7. Report of the General Manager
 - a. Crystal Springs Golf Course Award. (Tom Isaak, CourseCo)
 - b. Sewer Repair. (Continued from the meeting of August 24, 1999.) 7 mins. (Moran)
 - c. Webster Street Sewer Repair. 7 mins. (Olsen)
 - d. Hetch Hetchy Business Plan. 7 mins. (Klein)
 - e. BAWUA Issues. 7 mins. (Moran)
8. Public Comments

Members of the public may address the Commission on matters that are within the Commission's jurisdiction and are not on today's agenda.

THE FOLLOWING MATTERS BEFORE THE PUBLIC UTILITIES COMMISSION ARE RECOMMENDED FOR ACTION AS STATED, BY THE GENERAL MANAGER OF PUBLIC UTILITIES, AND CITY ATTORNEY WHERE APPLICABLE.

REGULAR BUSINESS

9. Modifying existing PUC policy to permit the use of metal halide street lighting as an alternative to high-pressure sodium vapor street lighting for large development areas; and approving use of metal halide street lighting for the planned development at Mission Bay. (Continued from the meeting of August 24, 1999. Proposed for continuance to September 28, 1999) (Klein)
10. Presentation on the San Joaquin Pipeline No. 3 incident. 7 mins. (Olsen)
11. Discussion of implementation of the Housing Policy. (Continued from the meeting of August 24, 1999.) 5 mins. (Olsen)
12. Discussion of "pass-through contracts". (Quan)
13. Authorizing the Customer Service Bureau to request the Department of Real Estate to negotiate a lease of certain space at 863 Clay Street to provide customer outreach to the Chinatown community, to negotiate a contract with a vendor to provide pay station services, and to increase the pay station reimbursement fee from \$0.15 to \$0.35. (Mullane)
14. Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission for San Mateo Creek opposite the Lower Crystal Springs Reservoir; and requesting the Mayor to recommend to the Board of Supervisors a supplemental appropriation in the amount of \$700,000 to fund the emergency work. (Quan)

CONSTRUCTION CONTRACTS

Advertise

15. Approving the final plans and specifications; and authorizing advertisement for bids for Clean Water Program Contract No. CW-240, Bertita Street/Russia Avenue/South Hill Boulevard/Stillings Avenue Sewer Replacement. (Quan)
16. Approving the final plans and specifications; and authorizing advertisement for bids for San Francisco Water Department Contract No. WD-2166, CDD Safety & Environmental Hazard Abatement. (Quan)

17. Approving the final plans and specifications; and authorizing advertisement for bids for San Francisco Water Department Contract No. WD-2300, Irvington Portal Improvements. (Quan)

18. Approving the final plans and specifications; and authorizing advertisement for bids for San Francisco Water Department Contract No. WD-2311, CDD Newcomb Avenue Facilities Security and Fire Protection. (Quan)

Award

19. Awarding Clean Water Program Contract No. CW-157, Everglade/Victoria/Revere/Bridge View Sewer Replacement, in the amount of \$385,070 to the lowest responsive and responsible bidder, Harty Pipelines, Inc. (Quan)

20. Awarding Clean Water Program Contract No. CW-220, Third Street Sewer System Improvements Phase II, in the amount of \$1,463,165 to the lowest responsive and responsible bidder, Harty Pipelines, Inc. (Quan)

21. Awarding San Francisco Water Department Contract No. WD-2244, Replace Two 48-Inch University Mound Steel Pipes at Interstate 280 Freeway, in the amount of \$595,969 to the lowest responsive and responsible bidder, Mitchell Engineering, Inc. (Quan)

PROFESSIONAL SERVICE CONTRACTS

Amend

22. Authorizing the General Manager of the Public Utilities Commission to execute a tenth amendment to the professional consulting services contract with The Planning Collaborative (TPC) amending the scope of services; increasing the contract amount by an additional \$311,000; and extending the term of the contract to March 31, 2000. (Continued from the meeting of August 24, 1999.) (Dowd)

23. To continue an existing relationship with Martha H. Lennihan by extending the contract term to December 31, 2000 and increasing the contract funding by \$70,000. for a contract amount not to exceed \$292,000. (Klein)

CLOSED SESSION

24. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property: Portions of Parcel 65 in Sunol, Alameda County
Parties Negotiating: CCSF – Dowd/Milstein
Lessee: Mission Valley Rock/RMC Lonestar
Under Negotiation: Price and Terms

25. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator – Pursuant to Government Code Section 54956.8:

Anticipated Litigation: As Plaintiff and as Defendant
Property: 500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County
Parties Negotiating: Lymburn/Thompson/Malamut
City of Pleasanton
Under Negotiation: Terms and Conditions

26. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a): (Simpson)

Existing Litigation: Ideal Paint Co., Inc. vs. City and County of San Francisco, and Consolidated Actions, San Francisco Superior Court No. 967-708

27. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b)(c): (Clayton/Quan)

Anticipated Litigation: Regarding Crystal Springs Pipeline Replacement

28. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b)(c): (Clayton)

Anticipated Litigation: HSQ Technology v. CCSF, et al., Superior Court No. 305-792.

29. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a): (Clayton)

Existing Litigation: Local 6 and the City and County of San Francisco, Arbitration Regarding Past Practice

30. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a):
(Clayton)

Existing Litigation: Bay Delta Hearings before the State Water Resources
Resources Control Board.

31. Public comments on matters to be discussed in Closed Session.

32. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

THE PUBLIC UTILITIES COMMISSION WILL GO INTO CLOSED SESSION TO DISCUSS
ABOVE LISTED CLOSED SESSION MATTERS.

FOLLOWING THE CLOSED SESSION, THE PUBLIC UTILITIES COMMISSION WILL
RECONVENE IN PUBLIC SESSION.

33. Announcement following Closed Session.

34. Motion regarding whether to disclose the discussions during Closed Session.

ADJOURNMENT

MINUTES

PUBLIC UTILITIES COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

REGULAR MEETING

September 14, 1999
1:30 P.M.
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras
Ben L. Hom

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Personnel and Training
System Planning Environment and Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Lorna T. Navarro
ACTING SECRETARY

1. Call to Order: 1:33 P.M.
2. Roll Call: Present - President Ann Moller Caen, Vice President Frank L. Cook, Commissioner E. Dennis Normandy, Commissioner Victor G. Makras, Commissioner Ben L. Hom

3. Approval of Minutes

Moved by Commissioner Hom, seconded by Commissioner Cook, to approve the Minutes of the Regular Meeting of August 24, 1999; passed (5-0) unanimously.

4. Communications

No action was taken.

5. Introduction of Old/Ongoing Business by Commissioners

President Caen commented that in staff's status report regarding the Sunol Water Temple & Grounds Restoration Project it stated that additional work was necessary for the seismic upgrade of the Temple. She wanted to know whether there would be additional charges to that additional work.

President Caen requested a report regarding the Bottled Water Project.

6. Introduction of New Business by Commissioners

Commissioner Makras requested a report concerning the slow progress of the sewer work being done on the 500 block of Precita Avenue.

Commissioner Normandy suggested that as staff prepares the PUC's Annual Report for this year that they include a background of the PUC, a chronology of events and challenges the organization faced during the year, how those challenges were resolved, and future issues for the department.

Commissioner Normandy suggested that staff publish a commemorative issue of *The Flow*, (PUC's Monthly Newsletter) for January 2000 to commemorate the new millennium.

President Caen commented that the Grand Jury Report reported that there was a backlog of 1,581 sewer repair jobs and the repair work takes 22 months to complete. She directed staff to establish a reporting system to better communicate and coordinate sewer repair issues with the Department of Public Works.

Regarding the Financial Reports, President Caen requested information on why the Services to the City Attorney were \$600,000 over the approved budget.

President Caen inquired about the action taken by staff regarding travel pay. Mr. Moran stated that he had directed to cease the practice of providing travel pay to those who were not eligible, and initiated a formal process of requiring proof of residency to those claiming the travel pay. Staff is also in the process of recovering those improper travel payments.

7. Report of the General Manager

Mr. Moran announced that Carolyn M. Olsen, Assistant General Manager for Operations is retiring from the PUC in January 2000. Ms. Olsen agreed to delay her retirement to see the implementation of the Y2K Conversion Project

Mr. Moran announced the re-assignments he made between the Utilities Engineering Bureau (UEB) and the Bureau of System Planning Environment and Compliance (SPEAC). Leonard Swanson was moved from SPEAC to UEB. Patty Mallet was moved from SPEAC to UEB. Mary Williams was moved from UEB to SPEAC. Manfred Wong would take the responsibility for the Program Management project.

He noted that these reassessments were in line with his efforts to clarify the roles of these two organizations. SPEAC is responsible for developing cogent and sensible long-range capital improvement programs and UEB is responsible for building them.

Mr. Moran reported that he had sent out a notice advising about a potential conflict of interest in the Request for Proposals for the Program Management contract and extending the deadline for submission of the proposals by two weeks. He noted that an agenda item would be scheduled for the next Commission meeting to consider the process for structuring the selection of the evaluation panel.

Mr. Moran noted that the Operating Manual for the Bureau of Commercial Land Management was distributed to the Commission and would be scheduled for the next Commission meeting for adoption.

a. Crystal Springs Golf Course Award.

Tom Isaak of Crystal Springs Golf Course Co. presented three major awards received by the Crystal Springs Golf Course (CSGC): (1) The Peninsula Conservation Center Foundation's 1997 Business Environmental Award; (2) Golf Digest's 1998 Winner of Environmental Leaders in Golf; and (3) The Wildlife Habitat Council as the first golf course in the nation certified by the Council. Mr. Isaak mentioned that Ray Davis, a Certified Superintendent at the Golf Course received a national honor from the Golf Course Superintendents Association of America and named as an environmental steward. Mr. Davis managed the development of a national environmental model on how golf course should be run. He thanked Mark Mueller and Gary Dowd of the Public Utilities Commission for their support in environmental and land management issues.

b. Sewer Repair. (Continued from the meeting of August 24, 1999.)

Mr. Moran gave a presentation using electronic slides regarding the state of the San Francisco sewer system, the actions taken and what was being planned to address sewer maintenance and repair issues. He reported that based on the inspection of the sewers, 80% of the sewers that are 100 years old do not require attention; however, as the new millennium begins he expected those old sewers would need attention. He noted that a sewer repair maintenance program is driven by actual inspection of the sewers and age is not a factor in determining whether a sewer pipe needs repair.

Mr. Moran showed graphs of sewer failure rate expected in the future. The PUC is currently about the middle line and the current failure will get worse to the 20 to 40 range and start to get better as we begin to repair and replace inadequate sewers. He stated that to reduce the level of failure, we needed to invest an additional \$6 million a year in sewer repair.

Mr. Moran noted that the current level of sewer system repair and replacement has been \$15 million per year, of which \$8 million is funded from the Repair and Replacement Fund and the additional money comes from the 1994 Sewer Repair Bonds. He stated that just to continue the current level of maintenance and repair program we need to authorize additional bonds or raise our revenues. However, with the passing of Proposition H, raising revenues is not possible. The current backlog of sewer work is \$31 million in structurally inadequate sewers and \$160 million in hydraulically inadequate sewers.

In the last two years, the Commission in order to address sewer repair issues added a computer system to keep proper records of necessary inspection, added camera equipment for inspection, and hired additional staff. Mr. Moran stated that if we were to improve the current level of sewer repair, we needed to hire additional sewer repair crew, add more money to increase the rate of sewer replacement funding, and seek new bonding authority.

Mr. Moran stated that staff would prepare a 5-year maintenance program to prevent the increase in the rate of sewer failure and that cost of the program is estimated to be \$30 million a year. The funds to implement this program could come from the \$8 million we already have from the Repair & Replacement Fund, and the balance of \$22 million by issuing a 5-year bond for \$110 million.

c. Webster Street Sewer Repair

Carolyn H. Olsen, Assistant Manager for Operations reported that the delay in the Webster Street sewer repair project resulted from miscommunication between several departments. In the Webster project, the Department of Building Inspection, the Department of Public Works' Sewer Construction Division and Sewer Engineering Division, the Public Utilities Commission Sewer Operations Division and the Water Department were involved. At the same time, a new electric duct was also being done by PG&E. To prevent this situation from happening again, staffs of the PUC and the Department of Public Works have been meeting to come up with better ways of communicating. Ms. Olsen suggested establishing policies concerning sewer service and maintaining open communication between City departments, property owners, and other agencies concerning the various utilities.

Nathan Ratner urged the Commission to resolve the problem in Webster Street and prevent this situation from reoccurring. Mr. Ratner also commented that he received the agenda for today's meeting an hour before the meeting.

Ms. Olsen stated that the problem had been resolved and the sewer is now operable. Commissioner Normandy commended Ms. Olsen for taking on this problem and initiating the development of policies so that decisions could be made to correct operational deficiencies. He encouraged staff to make sure that the same situation at 3760 Webster does not get repeated.

Commissioner Makras thanked Mr. Ratner for bringing this matter to the Commission's attention and for his persistence in resolving the problem. He suggested that any solution recommended by staff should be communicated to both the owner and Mr. Ratner. Mr. Ratner requested that staff respond to the questions he listed in his letter.

Don Munakata, Manager for the Department of Public Works Bureau of Engineering, commented in support of Carolyn Olsen's report and recommendation to establish a procedure that will prevent future problems. Don Eng from the Department of Public Works Bureau of Construction Management echoed Mr. Munakata's comment.

Tom Lehane, Chief Plumbing Inspector from the Department of Building Inspection, commented that there was a lack of communication on who was responsible for the sewer problem at 3760 Webster. He said that the problem was due to the sewer going to the building being 12 inches higher than the sewer coming out of the building and that no adjustment was made.

d. Hetch Hetchy Business Plan.

Lawrence T. Klein, General Manager of Hetch Hetchy Water & Power, gave a presentation regarding the Hetch Hetchy Business Plan.

Mr. Klein reported that Hetch Hetchy's business planning activities added \$30 million in net power revenues to Hetch Hetchy's budget for the current fiscal year. He noted the need to continue with business planning to improve our financial performance. He stated that Hetchy would not be able to continue to transfer funds to the General Fund unless such actions as increasing power revenues are taken. Mr. Klein indicated that the business plan was being revised to explore various business opportunities that will improve financial performance. Those business opportunities were categorized into core business enhancements, new business opportunities, economic development support, energy consumer advocacy, and energy related environmental impact improvements. He noted that a core business enhancement strategy such as customer retention program has the high feasibility of implementation but it is not sufficient to maintain current financial performance. New business opportunities have to be examined and implemented, and the Commission should consider all levels of acceptable risks.

For the next step in the development of the business plan, Mr. Klein stated that there are policy issues that are needed to be reviewed. He requested the Commission's participation in the development of the business plan, and the development of acceptable targets and implementation strategies.

President Caen stated that she would ask one or two members of the Commission to act as advisor on an ad hoc capacity to work with staff.

e. BAWUA Issues.

Mr. Moran gave a presentation regarding PUC's relationships with the Bay Area Water Users Association (BAWUA). He stated that there are two unresolved issues with BAWUA. One was whether or not PUC is obligated to provide water at cost, and second, how we allocate deficiency during the time of shortage. The position of the City under State laws is that the City's obligation is to be reasonable and allows for recovery of return on investment and rate of return. As to the allocation of deficiency, Mr. Moran stated that both parties have not yet agreed to a fixed formula. However, there is ongoing concern that because there is no fixed formula it is difficult for the suburban agencies to plan what would happen in deficiency situations.

Mr. Moran stated that BAWUA also was concerned regarding the slow progress being made in the PUC's Capital Improvement Program, the lack of adopted Capital Improvement Program, lack of financial plan, and lack of resolution on deficiency allocation. They are also concerned about the form of governance that BAWUA does not have a seat in the Public Utilities Commission.

Commissioner Makras stated that BAWUA is our major customer and we ought to look at their concerns promptly and in a professional manner. He stated that he was surprised that a BAWUA representative is present at every Commission meeting and did not express their organization's concern to the Commission and rather went to the State Legislature in support of a legislative audit of the PUC. He encouraged BAWUA to create a working relationship with the PUC.

Commissioner Makras asked whether BAWUA's concerns were valid. Mr. Moran responded that those concerns were valid. He understood their concern that they only have contractual relationships with PUC. The working relationships with BAWUA had improved overtime. He said that he shared BAWUA's frustration regarding the rate of completion of the Capital Improvement Program.

President Caen stated that a lot of BAWUA's concerns were about relationships with PUC and staff's memo gave a better overview of what had been happening.

Mr. Arthur Jensen, BAWUA's General Manager, stated that staff's memo was very professional, balanced, and accurate. He commented that communication between PUC and BAWUA have improved but he hoped that it be more straightforward. He noted that BAWUA did not initiate the legislative audit of the PUC. He stated that their concern was related to the formal adoption of the Capital Improvement Program as a commitment to implement those projects necessary to improve service.

Patrick Sweetland, Member of BAWUA's Board of Directors, and Head of Daly City's Department of Public Works, urged the Commission to address BAWUA's concerns on the standpoint of opportunity to make improvements.

8. Public comments on matters that were not on today's agenda.

Jane Nurre commented that the PUC's website was not up-to-date. The agenda for today's meeting was not posted and the last set of minutes posted was for the May 11, 1999 meeting.

REGULAR

9. Modifying existing PUC policy to permit the use of metal halide street lighting as an alternative to high-pressure sodium vapor street lighting for large development areas; and approving use of metal halide street lighting for the planned development at Mission Bay. (Continued from the meeting of August 24, 1999. Proposed for continuance to September 28, 1999)

Moved by Commissioner Makras, seconded by Commissioner Normandy, to continue Item 9 to the call of the Chair; passed (5-0) unanimously.

10. Presentation on the San Joaquin Pipeline No. 3 incident.

Cheryl Davis, Manager of Water Supply & Treatment Division, gave a report regarding the August 1999 incident when the San Joaquin Pipeline No. 3 broke. Ms. Davis also talked about its impact to PUC operations.

Ms. Davis noted that when Pipeline No. 3 developed a leak, it was taken out of service for repairs. Pipelines No. 1 and 2 were brought into service but it still did not provide the capacity to meet the demands or add as much to storage. Also water quality problems developed when those transmission lines were put back into service. Ms. Davis stated that suburban customers were contacted to moderate their demand for our system.

Ms. Olsen noted that in November, Pipeline No. 3 would be taken out of service for replacement of valves. Staff would be using modern technology to conduct internal and external inspections of the pipe to identify areas that need repaired. The Water Quality Bureau had started different studies to determine additional characterization of turbidity. Ms. Olsen stated that staff is not looking at any real increased capacity to the treatment facilities until Year 2008 to 2010 when Phase 2 of the Sunol Valley Water Treatment Improvement Project is completed.

11. Discussion of implementation of the Housing Policy. (Continued from the meeting of August 24, 1999.)

Ms. Olsen commented that the Commission directed staff to develop a policy for PUC owned housing units that establishes a rental rate at full market value plus cost for utilities. She stated that a study has been done and the market values are incorporated in the agenda item submitted to the Commission.

Ms. Olsen noted that there are three locations where housing is available for employees that provide 24-hour safety and emergency response functions. They are in upcountry, Moccasin, and the Bay Area watersheds. Ms. Olsen stated that staff is challenged on how to make PUC housing equitable and fair.

Mr. Michael Byrne commented in behalf of PUC watershed keepers in the Bay Area that the housing policy proposal creates an unbalanced and unequal pay structure among the same classifications of City employees.

In response to President Caen's question regarding adjustments to rent, Ms. Olsen noted that some housing units would get adjustments to the base rent based on the age or condition of the unit and whether there is water service connection.

President Caen asked about the use of pagers to reach operations people. Ms. Davis stated that her operations staff was supplied with radio equipment. Mr. Klein stated that pagers do not work in remote areas.

Commissioner Makras expressed support in charging the traditional \$50 a room rent for watershed keepers, which is about 15 watershed keepers and bringing the balance of the housing units up to current market value with 5% or 10% adjustment since they are city workers. He stated that he places true value for the extra services the watershed keepers provide and for their presence in our facilities 24 hours a day versus employees benefiting from housing but they are not responding 24 hours a day. He suggested a check and balance in the policy in the event of someone's retirement.

President Caen suggested considering rotation of housing and work location every three years. Commissioner Cook stated that the rotation should come on a voluntary basis. He stated that employees with the same classifications are paid the same salary whether they live and work in remote areas or not but the cost of living is different in the City and upcountry.

Mr. Moran inquired on how to deal with employees who live in the Early Intake who also provides 24-hour service as well but they are not watershed keepers. President Caen suggested setting exceptions in the policy and handling each case individually.

Commissioner Makras stated that he wants every employee treated without exception, as this is an employee fairness issue. He would like to keep the watershed keepers

protected. President Caen requested a list of names and responsibilities of these employees and what type of adversities they face in their work.

President Caen directed staff to work further on the policy and incorporate the ideas suggested today and return to the Commission.

12. Discussion of "pass-through contracts".

Moved by Commissioner Makras, seconded by Commissioner Normandy, to continue Item 12 to the next regular Commission meeting on September 28, 1999; passed (5-0) unanimously.

13. Lease of certain space at 863 Clay Street to provide customer outreach to the Chinatown community.

Commissioner Makras suggested that staff make sure that the lease is within fair market rent before the lease agreement is executed.

Moved by Commissioner Cook, seconded by Commissioner Normandy to adopt Item 13; passed (5-0) unanimously.

Resolution No. 99-0239: Authorizing the General Manager of Public Utilities to enter into a lease for the property at 863 Clay Street upon completion of negotiations by the City's Real Estate Department.

14. Ratifying the Declaration of Emergency and requesting a supplemental appropriation for \$700,000 to fund the emergency work at San Mateo Creek.

Moved by Commissioner Cook, seconded by Commissioner Normandy to adopt Item 14; passed (5-0) unanimously.

Resolution No. 99-0240: Ratifying the Declaration of Emergency made by the President of the Public Utilities Commission for San Mateo Creek opposite the Lower Crystal Springs Reservoir; and requesting the Mayor to recommend to the Board of Supervisors a supplemental appropriation in the amount of \$700,000 to fund the emergency work.

CONSTRUCTION CONTRACTS

Advertise

15. Authorizing advertisement for bids for Clean Water Program Contract No. CW-240.

Moved by Commissioner Makras, seconded by Commissioner Normandy, to adopt Item 15; passed (5-0) unanimously.

Resolution No. 99-0241: Approving the final plans and specifications; and authorizing advertisement for bids for Clean Water Program Contract No. CW-240, Bertita Street/Russia Avenue/South Hill Boulevard/Stillings Avenue Sewer Replacement.

16. Authorizing advertisement for bids for San Francisco Water Department Contract No. WD-2166.

Commissioner Makras voted against adoption of Item 16. He stated that the way the item was presented is questionable in that it is labeled as a requirement of CAL OSHA but it is really requesting to build a new shop. Item 18 in today's agenda was another calendar item in the same context. Also, staff did not advise the Commission that there are security problems in this location nor did they ask the Commission for direction.

Karen Kubick, Project Manager for the City Distribution Division (CDD) Capital Improvement Program, described the details of the projects and its importance to meeting the requirements of CAL OSHA. She stated that Items 16 and 18 were part of CDD's Capital Improvement Plan and the first of several construction projects at CDD in 1990 Newcomb.

Moved by Commissioner Cook, seconded by Commissioner Normandy, to adopt Item 16; passed (3-2). Commissioner Makras and Commissioner Hom voted no.

Resolution No. 99-0242: Approving the final plans and specifications; and authorizing advertisement for bids for San Francisco Water Department Contract No. WD-2166, CDD Safety & Environmental Hazard Abatement.

17. Authorizing advertisement for bids for San Francisco Water Department Contract No. WD-2300.

Moved by Commissioner Caen, seconded by Commissioner Normandy, to adopt Item 17; passed (5-0) unanimously.

Resolution No. 99-0243: Approving the final plans and specifications; and authorizing advertisement for bids for San Francisco Water Department Contract No. WD-2300, Irvington Portal Improvements.

18. Authorizing advertisement for bids for San Francisco Water Department Contract No. WD-2311.

Moved by Commissioner Normandy, seconded by Commissioner Cook, to adopt Item 18; passed (3-2). Commissioner Makras and Commissioner Hom voted no.

Resolution No. 99-0244: Approving the final plans and specifications; and authorizing advertisement for bids for San Francisco Water Department Contract No. WD-2311, CDD Newcomb Avenue Facilities Security and Fire Protection.

Award

Moved by Commissioner Makras, seconded by Commissioner Normandy to adopt Items No. 19, 20, and 21 together.

19. Resolution No. 99-0245: Awarding Clean Water Program Contract No. CW-157, Everglade/Victoria/Revere/ Bridge View Sewer Replacement, in the amount of \$385,070 to the lowest responsive and responsible bidder, Harty Pipelines, Inc.

20. Resolution No. 99-0246: Awarding Clean Water Program Contract No. CW-220, Third Street Sewer System Improvements Phase II, in the amount of \$1,463,165 to the lowest responsive and responsible bidder, Harty Pipelines, Inc.

21. Resolution No. 99-0247: Awarding San Francisco Water Department Contract No. WD-2244, Replace Two 48-Inch University Mound Steel Pipes at Interstate 280 Freeway, in the amount of \$595,969 to the lowest responsive and responsible bidder, Mitchell Engineering, Inc.

PROFESSIONAL SERVICE CONTRACTS

Amend

Item 22 was deferred until after Closed Session.

23. To continue an existing relationship with Martha H. Lennihan by extending the contract term to December 31, 2000 and increasing the contract funding by \$70,000, for a contract amount not to exceed \$292,000.

Item 23 was removed from the agenda.

CLOSED SESSION

24. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property:	Portions of Parcel 65 in Sunol, Alameda County
Parties Negotiating:	CCSF – Dowd/Milstein
Lessee:	Mission Valley Rock/RMC Lonestar
Under Negotiation:	Price and Terms

No action was taken.

25. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator – Pursuant to Government Code Section 54956.8:

Anticipated Litigation:	As Plaintiff and as Defendant
Property:	500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County
Parties Negotiating:	Lymburn/Thompson/Malamut City of Pleasanton
Under Negotiation:	Terms and Conditions

No action was taken.

26. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a):

Existing Litigation: Ideal Paint Co., Inc. vs. City and County of San Francisco, and Consolidated Actions, San Francisco Superior Court No. 967-708

No action was taken.

27. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b)(c):

Anticipated Litigation: Regarding Crystal Springs Pipeline Replacement

No action was taken.

28. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b)(c):

Anticipated Litigation: HSQ Technology v. CCSF, et al., Superior Court No. 305-792.

No action was taken.

29. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a):

Existing Litigation: Local 6 and the City and County of San Francisco, Arbitration Regarding Past Practice

No action was taken.

30. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a):

Existing Litigation: Bay Delta Hearings before the State Water Resources Resources Control Board.

No action was taken.

31. Public Comments on matters to be discussed in Closed Session.

There was none.

32. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

Moved by Commissioner Cook, seconded by Commissioner Normandy, to assert the attorney-client privilege; passed (5-0) unanimously.

The Public Utilities Commission met in Closed Session at 3:58 P.M. to discuss the above listed Closed Session items:

At 5:51 P.M., the Public Utilities Commission reconvened in open session.

Commissioner Makras and Commissioner Hom were excused.

33. Announcement following Closed Session.

President Caen announced that no action was taken during the Closed Session.

34. Motion regarding whether to disclose the discussions during Closed Session.

Moved by Commissioner Normandy, seconded by Commissioner Cook, not to disclose the discussion during the Closed Session; passed (3-0) unanimously.

PROFESSIONAL SERVICE CONTRACTS

Amend

22. Authorizing the General Manager of the Public Utilities Commission to execute a tenth amendment to the professional consulting services contract with The Planning Collaborative (TPC) amending the scope of services; increasing the contract amount by an additional \$311,000; and extending the term of the contract to March 31, 2000.
(Continued from the meeting of August 24, 1999.)

Item 22 was continued to the next regular Commission meeting scheduled on September 28, 1999.

Thereupon, the meeting was adjourned: 5:52 P.M.

NOTE: The PUC Special Meeting scheduled at 4:30 P.M. was cancelled.

Lorna T. Navarro
Acting Secretary

AGENDA

PUBLIC UTILITIES COMMISSION CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

SPECIAL MEETING

September 14, 1999

4:30 P.M.

City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

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SEP 13 1999

COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras
Ben L. Hom

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 City Distribution Division
 Water Supply & Treatment
Hetch Hetchy Water & Power
Clean Water Program
 Water Pollution Control

BUREAUS

Commercial Land Management
Customer Service
Finance
Management Information Systems
Personnel and Training
System Planning Environment and Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

Disability Access

The Public Utilities Commission meeting will be held in Room 400, City Hall, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA. The Commission meeting room is wheelchair accessible. The closest accessible BART station is the Civic Center Station at United Nations Plaza and Market Street. Accessible MUNI lines serving this location are: #42 Downtown Loop, and #71 Haight/Norriga and the F Line to Market and Van Ness and the Metro Stations at Van Ness and Market and at Civic Center. For information about MUNI accessible services call (415) 923-6142. There is accessible curbside parking adjacent to City Hall on Grove Street and Van Ness Avenue and in the vicinity of the Veterans Building at 401 Van Ness Avenue adjacent to Davies Hall and the War Memorial Complex.

The following services are available on request 48 hours prior to the meeting; except for Monday meetings, for which the deadline shall be 4:00 p.m. of the last business day of the preceding week: For American sign language interpreters or the use of a reader during a meeting, a sound enhancement system, and/or alternative formats of the agenda and minutes, please contact Romaine Boldridge at (415) 554-3165 or our TDD at (415) 554-3488 to make arrangements for the accommodation. Late requests will be honored, if possible.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the City accommodate these individuals. Individuals with chemical sensitivity or related disabilities should call our accessibility hotline at (415) 554-6060.

Know your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code)

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils, and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at (415) 554-4851.

San Francisco Lobbyist Ordinance

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance [SF Admin Code §16.520-16.534] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 1390 Market Street #801, San Francisco, CA 94102, telephone (415) 554-9510, fax (415) 703-0121 and web site <http://www.ci.sf.ca.us/ethics/>.

ORDER OF BUSINESS:

1. Call to Order
2. Roll Call
3. Public Comments

Members of the public may address the Commission on matters that are within the Commission's jurisdiction and are not on today's agenda.

THE FOLLOWING MATTERS BEFORE THE PUBLIC UTILITIES COMMISSION ARE RECOMMENDED FOR ACTION AS STATED, BY THE GENERAL MANAGER OF PUBLIC UTILITIES, AND CITY ATTORNEY WHERE APPLICABLE.

CLOSED SESSION

4. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b):
(Clayton)

Anticipated Litigation: As Defendant – Several potential proposers on the Program Management Request for Proposal have threatened litigation.
5. Public comments on matters to be discussed in Closed Session.
6. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

THE PUBLIC UTILITIES COMMISSION WILL GO INTO CLOSED SESSION TO DISCUSS ABOVE LISTED CLOSED SESSION MATTERS.

FOLLOWING THE CLOSED SESSION, THE PUBLIC UTILITIES COMMISSION WILL RECONVENE IN PUBLIC SESSION.

7. Announcement following Closed Session.
8. Motion regarding whether to disclose the discussions during Closed Session.

ADJOURNMENT

AGENDA

PUBLIC UTILITIES COMMISSION CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

REGULAR MEETING

September 28, 1999
1:30 P.M.
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

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SEP 24 1999

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COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras
Ben L. Hom

DEPARTMENTS

Water Department
 City Distribution Division
 Water Supply & Treatment
Hetch Hetchy Water & Power
Clean Water Program
 Water Pollution Control

BUREAUS

Commercial Land Management
Customer Service
Finance
Management Information Systems
Personnel and Training
System Planning Environment and Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

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ORDER OF BUSINESS:

1. Call to Order
2. Roll Call
3. Approval of Minutes
4. Communications
5. Introduction of Old/Ongoing Business by Commissioners
6. Introduction of New Business by Commissioners
7. Report of the General Manager
 - a. Y2K Exercise. 7 mins. (Olsen)
8. Public Comments

Members of the public may address the Commission on matters that are within the Commission's jurisdiction and are not on today's agenda.

THE FOLLOWING MATTERS BEFORE THE PUBLIC UTILITIES COMMISSION ARE RECOMMENDED FOR ACTION AS STATED, BY THE GENERAL MANAGER OF PUBLIC UTILITIES, AND CITY ATTORNEY WHERE APPLICABLE.

REGULAR BUSINESS

9. Discussion of "pass-through" contracts. (Continued from the meeting of September 14, 1999.) (Quan)
10. Presentation on Professional Services Selection Procedures. 7 mins. (Quan)

11. Endorsing the Tri Cities Project in concept proposed by the Cities of Burlingame, Millbrae, and Hillsborough to improve water service reliability to their respective service areas. 7 mins. (Carlin)
12. Approving the Program Management Consultant Evaluation Panel Selection criteria; and authorizing the hiring of an executive search firm to assemble the Evaluation Panel. (Wong)
13. Presentation on 24-Hour work schedules used to staff PUC operations. 7 mins. (Arnold)
14. Authorizing negotiations with Sierra Detroit Diesel Allison to select a developer to design, build and operate a cogeneration facility at the Southeast Water Pollution Control Plant. (Klein)
15. Authorizing the General Manager of Public Utilities to apply for, accept and expend \$75,000 of grant funds from the U.S. Department of Energy and the Urban Consortium Energy Task Force to support the City's energy management activities. (Klein)

LEASES AND PERMITS

16. Adopting the Bureau of Commercial Land Management Operating Manual. (Dowd)
17. Authorizing the General Manager of Public Utilities to execute a revocable permit to Kaiser Aluminum & Chemical Corporation to perform soil remediation on SFPUC property (known as the Bernal Property) at the Cow Pond area, in Alameda County near Pleasanton, California. (Continued from the meeting of August 24, 1999.) (Dowd)
18. Authorizing the General Manager of Public Utilities to execute a lease with San Francisco State University, the Head Start Childcare Program operator, to occupy approximately 3,450 square feet of building area plus an adjoining play area, located in the Southeast Community Facility, 1800 Oakdale Avenue, San Francisco, California at an annual rental rate of \$36,108. (Continued from the meeting of March 23, 1999.) (Dowd)

CONSTRUCTION CONTRACTS

Avertise

19. Approving the final plans and specifications and authorizing bid call for San Francisco Water Department Contract No. WD-2220, Access & Fire Protection Upgrades at Harry Tracy Water Treatment Plant, the Sunol Valley Water Treatment Plant, and the San Antonio Pump Station. (Quan)
20. Approving the final plans and specifications and authorizing bid call for San Francisco Water Department Contract No. WD-2283, Clarendon Pump Station and Pipelines to Stanford Heights and Summit Reservoirs. (Quan)
21. Approving the final plans and specifications and authorizing bid call for Clean Water Program Contract No. CW-236, Southeast Water Pollution Control Plant 250 MGD – Phase 2. (Quan)

Award

22. Awarding Clean Water Program Contract No. CW-213, Clement Street/Greenwich Street/Precita Avenue Sewer Replacement, in the amount of \$319,736 to J. Flores Construction, Inc. (Quan)
23. Finding the low bid submitted by Mountain Cascade for San Francisco Water Department Contract No. WD-2184, Crystal Springs Pipeline No. 1 Replacement, to be defective and non-responsive; and awarding the contract to the lowest responsive and responsible bidder, Mitchell Engineering in the amount of \$6,113,787. (Quan)

PROFESSIONAL SERVICE CONTRACTS

Award

24. Awarding a single contract for both general public affairs and communications professional services and pollution prevention education professional services for a contract amount not to exceed \$427,000 annually, to Wessling Creative Group for a three-year period, ending June 30, 2002. (Dayonot)

Amend

25. Authorizing the General Manager of Public Utilities to execute the tenth amendment to the professional services contract with The Planning Collaborative; amending the scope of services; increasing the contract amount by an additional \$311,000; and extending the term of the contract to March 31, 2000. (Continued from the meeting of September 14, 1999.) (Dowd)
26. To continue an existing relationship with HMH Resources, Inc. (formerly Hansen, McQuat, & Hamrin, Inc.) to provide power planning services; increasing the funding by \$150,000 for a contract total not to exceed \$550,000; and extending the term of the contract to September 30, 2000. (Klein)
27. To continue an existing relationship with R. M. Hairston Company to provide power planning services; increasing the funding by \$150,000 for a contract total not to exceed \$300,000; and extending the term of the contract to September 30, 2000. (Klein)
28. To continue an existing relationship with Dr. Peter Moyle to provide fishery consulting services, for a contract amount of \$49,000 and a term of December 31, 2000. (Klein)
29. To continue an existing relationship with Dr. Ronald Yoshiyama to provide fishery consulting services, for a contract amount of \$49,000 and a term of December 31, 2000. (Klein)

CLOSED SESSION

30. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property:	Portions of Parcel 65 in Sunol, Alameda County
Parties Negotiating:	CCSF – Dowd/Milstein
Lessee:	Mission Valley Rock/RMC Lonestar
Under Negotiation:	Price and Terms

31. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator – Pursuant to Government Code Section 54956.8:

Anticipated Litigation: As Plaintiff and as Defendant
Property: 500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County
Parties Negotiating: Lymburn/Thompson/Malamut
City of Pleasanton
Under Negotiation: Terms and Conditions

32. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a): (Simpson)

Existing Litigation: Ideal Paint Co., Inc. vs. City and County of San Francisco, and Consolidated Actions, San Francisco Superior Court No. 967-708

33. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b)(c): (Clayton)

Anticipated Litigation: HSQ Technology v. CCSF, et al., Superior Court No. 305-792.

34. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a): (Clayton)

Existing Litigation: Local 6 and the City and County of San Francisco, Arbitration Regarding Past Practice

35. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a): (Clayton)

Existing Litigation: Bay Delta Hearings before the State Water Resources Resources Control Board.

36. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b): (Clayton)

Anticipated Litigation: As Defendant – Several potential proposers on the Program Management Request for Proposal have threatened litigation.

37. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property: Balboa Reservoir Property at Phelan and Ocean Avenue
Parties Negotiating: CCSF – Dowd/Kubick
Under Negotiation: San Francisco City College
Under Negotiation: Terms

38. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b)(c):
(Clayton)

Anticipated Litigation: As Plaintiff
SFPUC v. Hetch Hetchy Mountain Spring Water Company
(Trademark Application Serial No. 75-519694)

39. Public comments on matters to be discussed in Closed Session.

40. Motion on whether to assert the attorney-client privilege regarding the matters listed above
as Conference with Legal Counsel.

THE PUBLIC UTILITIES COMMISSION WILL GO INTO CLOSED SESSION TO DISCUSS
ABOVE LISTED CLOSED SESSION MATTERS.

FOLLOWING THE CLOSED SESSION, THE PUBLIC UTILITIES COMMISSION WILL
RECONVENE IN PUBLIC SESSION.

41. Announcement following Closed Session.

42. Motion regarding whether to disclose the discussions during Closed Session.

ADJOURNMENT

ADDENDUM TO PUC AGENDA

City And County Of San Francisco
Public Utilities Commission

September 28, 1999

1:30 P.M.

City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

REGULAR BUSINESS

15. a. To consider steps being proposed and taken by the Mayor and the Controller to provide validation of Y2K preparedness activities of the PUC in conformance with City-wide policy and practice; and to consider additional funding for the PUC Y2K preparedness program. (Olsen)

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28/99

MINUTES

PUBLIC UTILITIES COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

REGULAR MEETING

September 28, 1999
1:30 P.M.
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

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COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras
Ben L. Hom

DEC 10 1999
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System Planning Environment and Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

1. Call to Order: 1:33 P.M.
2. Roll Call: Present - President Ann Moller Caen, Vice President Frank L. Cook, Commissioner E. Dennis Normandy, Commissioner Victor G. Makras, Commissioner Ben L. Hom
3. Approval of Minutes

Moved by Commissioner Makras, seconded by Commissioner Horn, to approve the Minutes of the Special Meeting held on September 14, 1999 at 12:30 P.M.; passed (5-0) unanimously.

4. Communications

No action was taken.

5. Introduction of Old/Ongoing Business by Commissioners

Commissioner Makras reported that he recently visited the CDD office at 1990 Newcomb Street at staff's invitation. Michael Quan, Karen Kubick, Tony Flores, Paul Williamson and William Olinger gave him a tour of the yard. Commissioner Makras acknowledged staff for taking the time to show him the facilities and having an open and honest discussion on what the department is doing now and where it is going.

6. Introduction of New Business by Commissioners

There was no new business introduced by Commissioners.

7. Report of the General Manager

Anson B. Moran noted that Jane Nurre wrote him by electronic mail acknowledging staff's quick response to her request to bring the PUC's website up to date in terms of posting agendas and minutes.

- a. Y2K Exercise

Carolyn H. Olsen, Assistant General Manager for Operations reported on the Y2K contingency planning exercises conducted by staff. The exercises were intended to review PUCs contingency planning and readiness for the Year 2000 and to identify opportunities for improvement.

Ms. Olsen stated that staff conducted division level Y2K training and exercises at each PUC facility. The exercise in each division involved 10 to 20 operations staff where they responded to emergency situations and performed tabletop exercises for four hours.

She reported that a PUC-wide exercise was conducted on September 17, 1999. The exercise involved all operating departments, support bureaus, the General Manager's Office, the emergency management staff, and the Mayor's Y2K Program Management staff. After the exercise, the participants were asked to write their observations and identify areas they thought needed improvement. Ms. Olsen stated that a summary of the reports would be provided to the Commission in two weeks. She said that one area that was identified as needing improvement is in the communication system, particularly in the use of radios as a means of communication as opposed to cellular phones. Other issues that were raised were the need to establish a procedure for emergency procurement and to have staff assigned at Treasure Island. The next steps that are going to be taken include revising the contingency plan and scheduling another field exercise in real time.

Responding to Commissioner Hom's question on how much was spent to date on the project, Ms. Olsen stated that the department had spent \$300,000 for contingency planning and a total of \$1.2 million for the project. She said staff was requesting an additional \$1.3 million for due diligence and inventory assessment which will be discussed later in the agenda.

Commissioner Makras inquired whether there was a guarantee that the Y2K preparedness program will work. Mr. Moran stated that in a hearing before the Board of Supervisors, local agencies such as PG&E, Pacific Bell, and local banks and the Public Utilities Commission testified that they are prepared for the Year 2000 but due to interdependency on entities outside their control, no guarantees can be made that no disruption of service will occur on January 1. Mr. Moran stated that PUC would be Y2K compliant by January 1. He said staff had established emergency response procedures and would be prepared to respond if emergency situations arise.

Mr. Moran announced that Items 9, 10, 13, 23 and 24 would be continued to the next Commission meeting.

8. Public comments on matters that were not on today's agenda.

There were none.

REGULAR

9. Discussion of "pass-through" contracts. (Continued from the meeting of September 14, 1999.)

Moved by Commissioner Normandy, seconded by Commissioner Hom, to continue Item 9 to the next regular Commission meeting scheduled on October 12, 1999; passed (5-0) unanimously.

10. Presentation on Professional Services Selection Procedures.

Moved by Commissioner Normandy, seconded by Commissioner Hom, to continue Item 10 to the next regular Commission meeting scheduled on October 12, 1999; passed (5-0) unanimously.

11. Endorsing the Tri Cities Project in concept.

Steve Medbery, Manager of the Bureau of System Planning, Environment & Compliance presented the goals and described the benefits of the Tri-Cities project. The project was proposed by the Cities of Millbrae and Burlingame, and the town of Hillsborough to increase the local storage capacity and to provide water service reliability within their service areas. Mr. Medbery stated that the project would improve PUC's response to water supply interruption, provide flexibility in dealing with emergency, and reduce peak demands on our system.

George Bagdon, Director of Burlingame's Department of Public Works showed maps of the proposed pipelines and storage facility and described the physical features of the project. Mr. Bagdon stated that if they find the project economically feasible they would return to the PUC to ask approval: 1) to acquire two acres of a portion of 16.57 acres of surplus land owned by PUC for construction of the storage facility; 2) to acquire property rights to the chlorination station for use as a pump station; 3) to acquire the 30-inch cross connection pipeline as carrier pipe for part of the aqueduct pipeline; and 4) to obtain a new metered connection to the Sunset Branch line.

The following individuals commented in support of the project: Daniel Quigg, Vice Mayor, City of Millbrae; Marty Knight, Vice Mayor of the City of Burlingame; Kitty Mullooly, Council Member from Hillsborough; and Arthur Jensen, General Manager of the Bay Area Water Users Association.

Commissioner Makras acknowledged Assemblyman Lou Papan's presence and thanked him for coming to the meeting. Regarding the use of PUC's surplus property, Commissioner Makras noted that he hoped the City of Millbrae would be open minded and cooperative in how PUC deals with the balance of the surplus land to maximize its assets. He asked whether the project was included in the PUC's Capital Improvement Project (CIP) to which Mr. Moran responded that it was not part of the CIP as the project would be owned and funded by the three cities.

Moved by Commissioner Normandy, seconded by Commissioner Makras to adopt Item 11; passed (5-0) unanimously.

Resolution No. 99-0248: Endorsing the Tri Cities Project in concept proposed by the Cities of Burlingame, Millbrae, and Hillsborough to improve water service reliability to their respective service areas.

12. Approving the Program Management Consultant Evaluation Panel Selection criteria; and authorizing the hiring of an executive search firm to assemble the Evaluation Panel.

Manfred Wong, Project Manager, noted that the proposed resolution before the Commission approves the criteria for selecting the evaluation panel and authorizes the hiring of an executive search firm to select the evaluation panel. He referred to the revised project schedule that showed 4-1/2 months delay from the original schedule.

Commissioner Normandy commented that a three-month delay in the process is really unacceptable, as this project had been delayed quite a bit to make the whole process as fair and equitable as possible. He stated that the proposal for selecting an evaluation panel was counterproductive in that there are many projects that should have already started and were delayed. He said that we cannot delay them any further. He stated that he was in favor of approving the criteria but would like to find some means of shortening the schedule. He suggested exploring options such as not to hire a separate consultant to select the panel, hire an existing consultant on a pass through basis, or assign the General Manager to implement the search. Commissioner Normandy also expressed concerns about finding a qualified panelist if we were going to require them to travel to conduct onsite inspections. In order to speed up the process, he suggested designating one member of the panel to inspect the sites and report back to the panel. Commissioner Makras concurred with Commissioner Normandy's recommendations to proceed with the original schedule, ask staff to submit names of prospective panelist, and to designate one person to be an impartial site inspector. He stated that it would be the most appropriate way to disseminate information regarding the site inspections.

Commissioner Normandy expressed concerns about the approval of the panel selection criteria and the selection of the evaluation panel not meeting the standard selection procedure. Mr. Moran stated that for the Commission to approve the panelist by names would require an open session and would violate the confidentiality of the panel. He stated that it was the reason staff recommended hiring a consultant to select the panel. Vicki Clayton, Utilities General Counsel, stated that the selection of an evaluation panel normally is not publicly noticed and the names are not made public. This is consistent with standard procedure for panel selection. Commissioner Makras noted that he voted to approve the Request for Proposals knowing that the Commission would know who would be on the selection panel and he would like staff to think of ways of how that can be done.

Commissioner Normandy suggested amending the resolution to delete the sixth and seventh whereas clauses that referenced the evaluation panel executive search firm, and delete the second part of the resolved clause so that the resolution reads, *"Resolved, That this Commission hereby adopt the Evaluation Panel Criteria as outlined in Attachment A."* He requested staff to submit a list of candidates for the evaluation panel and develop ways in which the Commission can certify the list.

Moved by Commissioner Normandy, seconded by Commissioner Cook to adopt Item 12 as amended; passed (5-0) unanimously.

Resolution No. 99-0249: Approving the Program Management Consultant Evaluation Panel Selection criteria.

13. Presentation on 24-Hour work schedules used to staff PUC operations.

Moved by Commissioner Normandy, seconded by Commissioner Hom to continue Item 13 to the next regular Commission meeting scheduled on October 12, 1999; passed (5-0) unanimously.

14. Authorizing negotiations with Sierra Detroit Diesel Allison to select a developer to design, build and operate a cogeneration facility.

President Caen requested staff to provide more details about the other bidders on the contract. Jonathan Loiacono, Project Manager, stated that the other bid received was from CH2M Hill/Energy 2000 joint venture. CH2M Hill withdrew from the pre-qualification process. Energy 2000 rebid in the second prequalification but did not qualify, as their bid price was higher than the PUC's estimate.

Moved by Commissioner Makras, seconded by Commissioner Hom to adopt Item 14; passed (5-0) unanimously.

Resolution No. 99-0250: Authorizing negotiations with Sierra Detroit Diesel Allison to select a developer to design, build and operate a cogeneration facility at the Southeast Water Pollution Control Plant.

15. Authorizing the General Manager of Public Utilities to apply for grant funds from the U.S. Department of Energy and the Urban Consortium Energy Task Force.

Moved by Commissioner Cook, seconded by Commissioner Normandy to adopt Item 15; passed (5-0) unanimously.

Resolution No. 99-0251: Authorizing the General Manager of Public Utilities to apply for, accept and expend \$75,000 of grant funds from the U.S. Department of Energy and the Urban Consortium Energy Task Force to support the City's energy management activities.

15.a. To consider steps being proposed and taken by the Mayor and the Controller to provide validation of Y2K preparedness activities of the PUC in conformance with Citywide policy and practice; and to consider additional funding for the PUC Y2K preparedness program.

Carolyn H. Olsen, Assistant General Manager for Operations, reported that the City's Year 2000 Program Management Office, recommended the implementation of an independent verification and validation audit of the PUC's Y2K preparedness program. Patty Fado, Director of the City's Year 2000 Program Management Office, stated that the Mayor and the Controller are committed to meeting industry standards in inventory assessment, remediation, contingency planning, testing, and independent verification and validation. Ms. Fado stated that they are recommending that all mission critical departments pursue a third party verification and validation audit to make sure that there will be no disruption in service.

Mr. Moran indicated that funds are available to support the cost of third party review and work can proceed without any action by the Commission. Commissioner Makras commented that \$1.2 million had been spent on this project and he never heard of a recommendation by staff for third party verification.

LEASES AND PERMITS

Commissioner Normandy was excused from 2:55 p.m. to 3:00 p.m.

16. Adopting the Bureau of Commercial Land Management Operating Manual.

Gary Dowd; Manager of the Bureau of Commercial Land Management, summarized the most important policy issues contained in the operating manual. He stated that the manual gives authority to the General Manager of Public Utilities to sign all cottage leases, month-to-month leases and permits limited to 90 days in duration, nominal value rentals not exceeding \$100 a month or one year in duration, \$2500 one time fee permit, and all transverse utility crossings. Reduced rent is only offered to non-profit agencies on revocable permits. Any long-term lease agreement that a non-profit agency wishes to enter into will be subject to fair market value calculations. Regarding permits to other City departments, they will be issued at no fee at the General Manager's discretion provided that little or no potential exists to gain revenue exceeding \$2500 per year.

Mr. Dowd advised that staff would submit a quarterly report that shows each agreement entered into during that period.

Commissioner Makras commended staff and the General Manager for putting the manual together. He stated that the manual allows the PUC to do business in a smarter way and treat all prospective tenants on a level playing field. He recommended that staff report to the Commission on an annual basis to reaffirm the effectiveness of the operating manual.

Commissioner Normandy also commended Commissioner Makras and former Commissioner, Robert K. Werbe for their roles in moving this forward.

Moved by Commissioner Makras, seconded by Commissioner Normandy to adopt Item 16; passed (5-0) unanimously.

Resolution No. 99-0252: Adopting the Bureau of Commercial Land Management Operating Manual.

18. Authorizing a lease with San Francisco State University. (Continued from the meeting of March 23, 1999.)

Moved by Commissioner Cook, seconded by Commissioner Normandy to adopt Item 18; passed (5-0) unanimously.

Resolution No. 99-0254: Authorizing the General Manager of Public Utilities to execute a lease with San Francisco State University, the Head Start Childcare Program operator, to occupy approximately 3,450 square feet of building area plus an adjoining play area, located in the Southeast Community Facility, 1800 Oakdale Avenue, San Francisco, California at an annual rental rate of \$36,108.

Commissioner Hom was excused at 3:03 P.M.

CONSTRUCTION CONTRACTS

Advertise

19. Authorizing bid call for San Francisco Water Department Contract No. WD-2220.

Moved by Commissioner Makras, seconded by Commissioner Normandy to adopt Item 19; passed (4-0) unanimously.

Resolution No. 99-0255: Approving the final plans and specifications and authorizing bid call for San Francisco Water Department Contract No. WD-2220, Access & Fire Protection Upgrades at Harry Tracy Water Treatment Plant, the Sunol Valley Water Treatment Plant, and the San Antonio Pump Station.

20. Authorizing bid call for San Francisco Water Department Contract No. WD-2283.

Moved by Commissioner Cook, seconded by Commissioner Normandy to adopt Item 20; passed (4-0) unanimously.

Resolution No. 99-0256: Approving the final plans and specifications and authorizing bid call for San Francisco Water Department Contract No. WD-2283, Clarendon Pump Station and Pipelines to Stanford Heights and Summit Reservoirs.

Commissioner Horn returned at 3:05 P.M.

21. Authorizing bid call for Clean Water Program Contract No. CW-236, Southeast Water Pollution Control Plant 250 MGD – Phase 2.

Moved by Commissioner Normandy, seconded by Commissioner Cook to adopt Item 21; passed (5-0) unanimously.

Resolution No. 99-0257: Approving the final plans and specifications and authorizing bid call for Clean Water Program Contract No. CW-236, Southeast Water Pollution Control Plant 250 MGD – Phase 2.

Award

22. Awarding Clean Water Program Contract No. CW-213.

Moved by Commissioner Cook, seconded by Commissioner Makras to adopt Item 22; passed (5-0) unanimously.

Resolution No. 99-0258: Awarding Clean Water Program Contract No. CW-213, Clement Street/Greenwich Street/Precita Avenue Sewer Replacement, in the amount of \$319,736 to J. Flores Construction, Inc.

23. Finding the low bid submitted by Mountain Cascade for San Francisco Water Department Contract No. WD-2184, Crystal Springs Pipeline No. 1 Replacement, to be defective and non-responsive; and awarding the contract to the lowest responsive and responsible bidder, Mitchell Engineering in the amount of \$6,113,787.

Moved by Commissioner Normandy, seconded by Commissioner Hom to continue Item 23 to the next regular Commission meeting scheduled on October 12, 1999; passed (5-0) unanimously.

PROFESSIONAL SERVICE CONTRACTS

Award

24. Awarding a contract for both general public affairs and communications professional services and pollution prevention education professional services for a contract amount not to exceed \$427,000 annually, to Wessling Creative Group for a three-year period, ending June 30, 2002.

Mr. Moran suggested continuance of Item 24 due to a "due process" issue. Commissioner Makras questioned the continuance when the Commission had received all communications concerning the item. Virginia Harmon, HRC's Contract Compliance Officer, stated that due process had been afforded and the Commission can now proceed to take action. Ms. Harmon stated that HRC had reviewed the proposal and had made a recommendation. They also had responded to the letter received on Monday morning from O'Rourke's attorney. The Commission did not receive a copy of HRC's letter.

Ralph Godoy, an attorney representing O'Rourke, stated that he received a fax copy of HRC's letter, but he still has certain questions regarding the due process. He urged the Commission to continue the matter to the next meeting to allow him additional time to review the issues.

Commissioner Makras commented that if the Commission continues the item at the request of the public, we will open a new avenue on how the PUC awards contracts. Commissioner Normandy stated that he wanted to continue the item not to open the door for another protest but because the Commission did not have all the facts on hand today.

Moved by Commissioner Normandy, seconded by Commissioner Cook to continue Item 24 to the next regular Commission meeting scheduled on October 12, 1999; passed (5-0) unanimously.

Amend

26. To continue an existing relationship with HMH Resources, Inc. (formerly Hansen, McQuat, & Hamrin, Inc.).

Moved by Commissioner Makras, seconded by Commissioner Cook to adopt Item 26; passed (5-0) unanimously.

Resolution No. 99-0259: To continue an existing relationship with HMH Resources, Inc. (formerly Hansen, McQuat, & Hamrin, Inc.) to provide power planning services; increasing the funding by \$150,000 for a contract total not to exceed \$550,000; and extending the term of the contract to September 30, 2000.

27. To continue an existing relationship with R. M. Hairston Company to provide power planning services.

Commissioner Makras recommended approval to extend the agreement with R. M. Hairston Company for six months to allow rebidding so that it is consistent with PUC's contracting policy on continuing professional service contracts. He stated that he does not believe the services are of extraordinary nature that it will preclude rebidding.

Moved by Commissioner Makras, seconded by Commissioner Hom to adopt Item 27 as amended; passed (5-0) unanimously.

Resolution No. 99-0260: To continue an existing relationship with R. M. Hairston Company to provide power planning services; increasing the funding by \$75,000 for a contract total not to exceed \$225,000; and extending the term of the contract to March 30, 2000.

28. To continue an existing relationship with Dr. Peter Moyle to provide fishery consulting services.

Commissioner Makras thanked staff for bringing Items 28 and 29 to the Commission even though these contracts are under \$50,000. He stated that these contracts are expert services, they are used on an "as-needed" basis, and they fall into the exemption to come to the Commission.

Moved by Commissioner Makras, seconded by Commissioner Hom to adopt Item 28; passed (5-0) unanimously.

Resolution No. 99-0261: To continue an existing relationship with Dr. Peter Moyle to provide fishery consulting services, for a contract amount of \$49,000 and a term of December 31, 2000.

29. To continue an existing relationship with Dr. Ronald Yoshiyama to provide fishery consulting services, for a contract amount of \$49,000 and a term of December 31, 2000.

Moved by Commissioner Makras, seconded by Commissioner Hom to adopt Item 29; passed (5-0) unanimously.

Resolution No. 99-0262: To continue an existing relationship with Dr. Ronald Yoshiyama to provide fishery consulting services, for a contract amount of \$49,000 and a term of December 31, 2000.

CLOSED SESSION

30. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property:	Portions of Parcel 65 in Sunol, Alameda County
Parties Negotiating:	CCSF – Dowd/Milstein
Lessee:	Mission Valley Rock/RMC Lonestar
Under Negotiation:	Price and Terms

No action was taken.

31. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator – Pursuant to Government Code Section 54956.8:

Anticipated Litigation:	As Plaintiff and as Defendant
Property:	500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County
Parties Negotiating:	Lymburn/Thompson/Malamut City of Pleasanton
Under Negotiation:	Terms and Conditions

No action was taken.

At 5:00 P.M., President Caen and Commissioner Hom were excused.

32. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a):

Existing Litigation: Ideal Paint Co., Inc. vs. City and County of San Francisco, and Consolidated Actions, San Francisco Superior Court No. 967-708

Moved by Commissioner Makras, seconded by Commissioner Normandy, to adopt staff's recommendation on Item 32; passed (3-0) unanimously.

Resolution No. 99-0263: Recommending a settlement in the case of Ideal Paint Co., Inc. vs. City and County of San Francisco, and Consolidated Actions, San Francisco Superior Court No. 967-708.

33. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b)(c):

Anticipated Litigation: HSQ Technology v. CCSF, et al., Superior Court No. 305-792.

No action was taken.

34. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a):

Existing Litigation: Local 6 and the City and County of San Francisco, Arbitration Regarding Past Practice

No action was taken.

35. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a):

Existing Litigation: Bay Delta Hearings before the State Water Resources Resources Control Board.

No action was taken.

36. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b):

Anticipated Litigation: As Defendant – Several potential proposers on the Program Management Request for Proposal have threatened litigation.

No action was taken.

37. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property:	Balboa Reservoir Property at Phelan and Ocean Avenue
Parties	CCSF – Dowd/Kubick
Negotiating:	San Francisco City College
Under Negotiation:	Terms

No action was taken.

38. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b)(c):

Anticipated Litigation: As Plaintiff
SFPUC v. Hetch Hetchy Mountain Spring Water
Company
(Trademark Application Serial No. 75-519694)

No action was taken.

39. Public Comments on matters to be discussed in Closed Session.

There was none.

40. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

Moved by Commissioner Hom, seconded by Commissioner Normandy, to assert the attorney-client privilege; passed (5-0) unanimously.

The Public Utilities Commission met in Closed Session at 3:15 P.M. to discuss the above listed Closed Session items:

At 5:58 P.M., the Public Utilities Commission reconvened in open session.

41. Announcement following Closed Session.

Vice President Cook announced the actions taken during the Closed Session.

42. Motion regarding whether to disclose the discussions during Closed Session.

Moved by Commissioner Normandy, seconded by Commissioner Makras, not to disclose the discussion during the Closed Session; passed (3-0) unanimously.

LEASES AND PERMITS

17. Authorizing a revocable permit to Kaiser Aluminum & Chemical Corporation to perform soil remediation on the Bernal Property at the Cow Pond area, in Alameda County. (Continued from the meeting of August 24, 1999.)

Moved by Commissioner Normandy, seconded by Commissioner Makras, to adopt Item 17; passed (3-0) unanimously.

Resolution No. 99-0253: Authorizing the General Manager of Public Utilities to execute a revocable permit to Kaiser Aluminum & Chemical Corporation to perform soil remediation on SFPUC property (known as the Bernal Property) at the Cow Pond area, in Alameda County near Pleasanton, California.

PROFESSIONAL SERVICES CONTRACTS

Amend

25. Authorizing the General Manager of Public Utilities to execute the tenth amendment to the professional services contract with The Planning Collaborative; amending the scope of services; increasing the contract amount by an additional \$311,000; and extending the term of the contract to March 31, 2000. (Continued from the meeting of September 14, 1999.)

Moved by Commissioner Normandy, seconded by Commissioner Cook to continue Item 25 to the call of the Chair; passed (3-0) unanimously.

Thereupon, the meeting was adjourned: 6:03 P.M.

Romaine A. Boldridge
Secretary

AGENDA

PUBLIC UTILITIES COMMISSION CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

DOCUMENTS DEPT.

SPECIAL MEETING

October 12, 1999
10:30 A.M.
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

OCT 06 1999

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COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras
Ben L. Hom

DEPARTMENTS

Water Department
 City Distribution Division
 Water Supply & Treatment
Hetch Hetchy Water & Power
Clean Water Program
 Water Pollution Control

BUREAUS

Commercial Land Management
Customer Service
Finance
Management Information Systems
Personnel and Training
System Planning Environment and Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

Disability Access

The Public Utilities Commission meeting will be held in Room 400, City Hall, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA. The Commission meeting room is wheelchair accessible. The closest accessible BART station is the Civic Center Station at United Nations Plaza and Market Street. Accessible MUNI lines serving this location are: #42 Downtown Loop, and #71 Haight/Noriega and the F Line to Market and Van Ness and the Metro Stations at Van Ness and Market and at Civic Center. For information about MUNI accessible services call (415) 923-6142. There is accessible curbside parking adjacent to City Hall on Grove Street and Van Ness Avenue and in the vicinity of the Veterans Building at 401 Van Ness Avenue adjacent to Davies Hall and the War Memorial Complex.

The following services are available on request 48 hours prior to the meeting; except for Monday meetings, for which the deadline shall be 4:00 p.m. of the last business day of the preceding week: For American sign language interpreters or the use of a reader during a meeting, a sound enhancement system, and/or alternative formats of the agenda and minutes, please contact Romaine Boldridge at (415) 554-3165 or our TDD at (415) 554-3488 to make arrangements for the accommodation. Late requests will be honored, if possible.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the City accommodate these individuals. Individuals with chemical sensitivity or related disabilities should call our accessibility hotline at (415) 554-6060.

Know your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code)

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils, and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at (415) 554-4851.

San Francisco Lobbyist Ordinance

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance [SF Admin Code §16.520-16.534] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 1390 Market Street #801, San Francisco, CA 94102, telephone (415) 554-9510, fax (415) 703-0121 and web site <http://www.ci.sf.ca.us/ethics/>.

ORDER OF BUSINESS:

1. Call to Order
2. Roll Call
3. Public Comments

Members of the public may address the Commission on matters that are within the Commission's jurisdiction and are not on today's agenda.

THE FOLLOWING MATTERS BEFORE THE PUBLIC UTILITIES COMMISSION ARE RECOMMENDED FOR ACTION AS STATED, BY THE GENERAL MANAGER OF PUBLIC UTILITIES, AND CITY ATTORNEY WHERE APPLICABLE.

CLOSED SESSION

4. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property:	Portions of Parcel 65 in Sunol, Alameda County
Parties Negotiating:	CCSF – Dowd/Milstein
Lessee:	Mission Valley Rock/RMC Lonestar
Under Negotiation:	Price and Terms

5. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator – Pursuant to Government Code Section 54956.8:

Anticipated Litigation:	As Plaintiff and as Defendant
Property:	500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County
Parties Negotiating:	Lymburn/Thompson/Malamut
Under Negotiation:	City of Pleasanton
	Terms and Conditions

6. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a): (Clayton)

Existing Litigation:	Bay Delta Hearings before the State Water Resources Control Board.
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7. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b)(c):
(Clayton)

Anticipated Litigation: HSQ Technology v. CCSF, et al., Superior Court No. 305-792.

8. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a):
(Clayton)

Existing Litigation: Local 6 and the City and County of San Francisco, Arbitration
Regarding Past Practice

9. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b):
(Clayton)

Anticipated Litigation: As Defendant – Several potential proposers on the Program
Management Request for Proposal have threatened litigation.

10. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property: Balboa Reservoir Property at Phelan and Ocean Avenue
Parties Negotiating: CCSF – Dowd/Kubick
San Francisco City College
Under Negotiation: Terms

11. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b)(c):
(Clayton)

Anticipated Litigation: As Plaintiff
SFPUC v. Hetch Hetchy Mountain Spring Water Company
(Trademark Application Serial No. 75-519694)

12. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a):
(Clayton)

Existing Litigation: Alex Wang v. CCSF, Superior Court No. 988-036

13. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a):
(Clayton)

Existing Litigation: SOMA Partners v. CCSF, Claim No. 99-03960

14. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a):
(Clayton)

Existing Litigation: Dagmar Portes v. CCSF, San Mateo Superior Court
No. 403-745

15. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a):
(Clayton)

Existing Litigation: Frank Boides and Angela Pan, Claim No. 99W0019-1

16. Public Employee Performance Evaluation – Pursuant to Government Code Section 54957:

Position: General Manager, Public Utilities

17. Public comments on matters to be discussed in Closed Session.

18. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

THE PUBLIC UTILITIES COMMISSION WILL GO INTO CLOSED SESSION TO DISCUSS ABOVE LISTED CLOSED SESSION MATTERS.

FOLLOWING THE CLOSED SESSION, THE PUBLIC UTILITIES COMMISSION WILL RECONVENE IN PUBLIC SESSION.

19. Announcement following Closed Session.

20. Motion regarding whether to disclose the discussions during Closed Session.

ADJOURNMENT

City and County of San Francisco
Public Utilities Commission
1155 Market St., 4th Floor
San Francisco, CA 94103

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MINUTES

PUBLIC UTILITIES COMMISSION CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

SPECIAL MEETING

October 12, 1999
10:30 A.M.
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras
Ben L. Hom

DOCUMENTS DEPT.

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Personnel and Training
System Planning Environment and Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

1. Call to Order: 10:35 A.M.
2. Roll Call:
Present - President Ann Moller Caen, Vice President Frank L. Cook, Commissioner Victor G. Makras, Commissioner Ben L. Hom

Excused - Commissioner E. Dennis Normandy
3. Public Comments

There was none.

CLOSED SESSION

4. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property:	Portions of Parcel 65 in Sunol, Alameda County
Parties Negotiating:	CCSF – Dowd/Milstein
Lessee:	Mission Valley Rock/RMC Lonestar
Under Negotiation:	Price and Terms
- No action was taken.
5. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator – Pursuant to Government Code Section 54956.8:

Anticipated Litigation:	As Plaintiff and as Defendant
Property:	500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County
Parties Negotiating:	Lymburn/Thompson/Malamut
Under Negotiation:	City of Pleasanton
	Terms and Conditions
- No action was taken.

6. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a):

Existing Litigation: Bay Delta Hearings before the State Water Resources Resources Control Board.

No action was taken.

7. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b)(c):

Anticipated Litigation: HSQ Technology v. CCSF, et al., Superior Court No. 305-792.

No action was taken.

8. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a):

Existing Litigation: Local 6 and the City and County of San Francisco, Arbitration Regarding Past Practice

No action was taken.

9. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b):

Anticipated Litigation: As Defendant – Several potential proposers on the Program Management Request for Proposal have threatened litigation.

No action was taken.

10. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property: Balboa Reservoir Property at Phelan and Ocean Avenue
Parties: CCSF – Dowd/Kubick
Negotiating: San Francisco City College
Under Negotiation: Terms

No action was taken.

11. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b)(c):

Anticipated Litigation: As Plaintiff
SFPUC v. Hetch Hetchy Mountain Spring Water
Company
(Trademark Application Serial No. 75-519694)

No action was taken.

Commissioner Makras was excused at 11:28 A.M. during the discussion of Items 12, 13, 14 and 15.

12. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a):

Existing Litigation: Alex Wang v. CCSF, Superior Court No. 988-036

Moved by Commissioner Cook, seconded by Commissioner Hom, to approve staff's recommendation for Item 12; passed (3-0) unanimously.

Resolution No. 99-0264: Recommending a settlement in the case of Alex Wang v. CCSF, Superior Court No. 988-036.

13. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a):

Existing Litigation: SOMA Partners v. CCSF, Claim No. 99-03960

Moved by Commissioner Hom, seconded by Commissioner Cook, to approve staff's recommendation for Item 13; passed (3-0) unanimously.

Resolution No. 99-0265: Recommending a settlement in the case of SOMA Partners v. CCSF, Claim No. 99-03960.

14. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a):

Existing Litigation: Dagmar Portes v. CCSF, San Mateo Superior Court No. 403-745

Moved by Commissioner Cook, seconded by Commissioner Hom, to approve staff's recommendation for Item 14; passed (3-0) unanimously.

Resolution No. 99-0266: Recommending a settlement in the case of Dagmar Portes v. CCSF, San Mateo Superior Court No. 403-745.

15. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a):

Existing Litigation: Frank Boides and Angela Pan, Claim No. 99W0019-1

Moved by Commissioner Cook, seconded by Commissioner Hom, to approve staff's recommendation for Item 15; passed (3-0) unanimously.

Resolution No. 99-0267: Recommending a settlement in the case of Frank Boides and Angela Pan, Claim No. 99W0019-1.

Commissioner Makras returned at 11:35 A.M.

16. Public Employee Performance Evaluation – Pursuant to Government Code Section 54957:

Position: General Manager, Public Utilities

No action was taken.

17. Public comments on matters to be discussed in Closed Session.

There was none.

18. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

Moved by Commissioner Hom, seconded by Commissioner Cook, to assert the attorney-client privilege; passed (4-0) unanimously.

At 10:40 A.M., the Public Utilities Commission met in Closed Session to discuss above listed closed session matters. At 1:58 P.M., the Commission reconvened in public session.

19. Announcement following Closed Session.

President Caen announced the actions taken during the Closed Session.

20. Motion regarding whether to disclose the discussions during Closed Session.

Moved by Commissioner Hom, seconded by Commissioner Cook, not to disclose the discussions during Closed Session; passed (3-0) unanimously.

Thereupon, the meeting was adjourned: 2:00 P.M.

Romaine A. Boldridge
Secretary

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AGENDA

PUBLIC UTILITIES COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

REGULAR MEETING

October 12, 1999

1:30 P.M.

City Hall, Room 400

1 Dr. Carlton B. Goodlett Place

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COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras
Ben L. Hom

DEPARTMENTS

Water Department
 City Distribution Division
 Water Supply & Treatment
Hetch Hetchy Water & Power
Clean Water Program
 Water Pollution Control

BUREAUS

Commercial Land Management
Customer Service
Finance
Management Information Systems
Personnel and Training
System Planning Environment and Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

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ORDER OF BUSINESS:

1. Call to Order
2. Roll Call
3. Approval of Minutes
4. Communications
5. Introduction of Old/Ongoing Business by Commissioners
6. Introduction of New Business by Commissioners
7. Report of the General Manager
8. Public Comments

Members of the public may address the Commission on matters that are within the Commission's jurisdiction and are not on today's agenda.

THE FOLLOWING MATTERS BEFORE THE PUBLIC UTILITIES COMMISSION ARE RECOMMENDED FOR ACTION AS STATED, BY THE GENERAL MANAGER OF PUBLIC UTILITIES, AND CITY ATTORNEY WHERE APPLICABLE.

REGULAR BUSINESS

9. Discussion of "pass-through" contracts. (Continued from the meeting of September 28, 1999.) 7 mins. (Quan)
10. Presentation on Professional Services Selection Procedures. (Continued from the meeting of September 28, 1999.) 10 mins. (Iwata)

11. Presentation on 24-hour work schedules used by PUC operations staff. (Continued from the meeting of September 28, 1999.) 7 mins. (Arnold)
12. Presentation on the activities of the Water Supply and Treatment Division's Productivity Task Force. 7 mins. (Davis)
13. Modifying existing PUC policy to permit the use of metal halide street lighting as an alternative to high-pressure sodium vapor street lighting for large development areas; and approving use of metal halide street lighting for the planned development at Mission Bay. (Continued from the meeting of September 14, 1999) (Klein)

LEASES AND PERMITS

14. Authorizing the General Manager of Public Utilities to execute a 40-year lease with Koret Foundation for approximately 41,817 square feet of PUC land located on San Andreas Pipeline and Baden Merced Pipeline right of way, Parcel 22 in South San Francisco to be utilized as a parking lot, ingress and egress and landscaping at an annual rental rate of \$13,211. (Dowd)
15. Authorizing the General Manager of Public Utilities to execute a five-year lease with Parkview West Homeowners Association for a total of 61,090 square feet of PUC land located on Bay Division Pipeline No. 3 and 4 right of way, Parcel 211 in Mountain View, to be utilized for parking, patios, and a pool recreation and lounge area for an adjacent condominium complex at an annual rental rate of \$3,570.05. (Dowd)

CONSTRUCTION CONTRACTS

Advertise

16. Approving the final plans and specifications and authorizing bid call for San Francisco Water Department Contract No. WD-2240, 8-Inch Ductile Iron Main Installation in Golden Gate Avenue from Van Ness Avenue to Divisadero Street. (Quan)
17. Approving the final plans and specifications and authorizing bid call for San Francisco Water Department Contract No. WD-2262, 6 and 8-Inch Ductile Iron Main Installation in Cesar Chavez Street from Noe Street to Mission Street, Shotwell Street to Harrison Street; and Day Street from Sanchez Street to Dolores Street. (Quan)

Award

18. Finding the low bid submitted by Mountain Cascade for San Francisco Water Department Contract No. WD-2184, Crystal Springs Pipeline No. 1 Replacement, to be defective and non-responsive; and awarding the contract to the lowest responsive and responsible bidder, Mitchell Engineering in the amount of \$6,113,787. (Continued from the meeting of September 28, 1999.) (Quan)
19. Awarding Clean Water Program Contract No. CW-204, Southeast Water Pollution Control Plant – Building 062 Improvements, in the amount of \$964,549 to Millard Tong Construction. (Quan)
20. Awarding Clean Water Program Contract No. CW-246, Clay and Sacramento Streets Sewer Replacement, in the amount of \$715,959 to JMB Construction, Inc. (Quan)

PROFESSIONAL SERVICE CONTRACTS

Advertise

21. Authorizing the Utilities Engineering Bureau Manager to request proposals, interview, select and recommend to the Commission a qualified firm to provide specialized construction management services for the San Francisco Water Supervisory Control and Data Acquisition System (SCADA) project, for a period of 24 months for an amount not to exceed \$1,600,000. (Quan)

Award

22. Awarding a single contract for both general public affairs and communications professional services and pollution prevention education professional services for a contract amount not to exceed \$427,000 annually, to Wessling Creative Group for a three-year period, ending June 30, 2002. (Continued from the meeting of September 28, 1999.) (Dayonot)

Amend

23. Authorizing the General Manager of Public Utilities to execute the tenth amendment to the professional services contract with The Planning Collaborative; amending the scope of services; increasing the contract amount by an additional \$311,000; and extending the term of the contract to March 31, 2000. (Continued from the meeting of September 28, 1999.) (Dowd)

ADJOURNMENT

MINUTES

PUBLIC UTILITIES COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

REGULAR MEETING

October 12, 1999
1:30 P.M.
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

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E. Dennis Normandy
Victor G. Makras
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Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

1. Call to Order: 2:00 P.M.
2. Roll Call: Present - President Ann Moller Caen, Vice President Frank L. Cook, Commissioner Victor G. Makras, Commissioner Ben L. Hom

Excused - Commissioner E. Dennis Normandy
3. Approval of Minutes

Commissioner Makras requested continuance of the Minutes of the Regular Meeting of September 14, 1999.
4. Communications

No action was taken.

Commissioner Makras was excused at 2:05 P.M.

Discussion of Item 5, Introduction of Old/Ongoing Business by Commissioners, was put over until Commissioner Makras returned.

6. Introduction of New Business by Commissioners

Commissioner Hom inquired whether staff could inform the Commission when a news article relating to PUC would be published. He made reference to the article regarding the proposed PUC building at 525 Golden Gate. Anson B. Moran, General Manager of Public Utilities, replied that staff advises the Commission when they are aware that an article about PUC is going to be released. In this instance, staff did not know of this article.
7. Report of the General Manager

Mr. Moran requested that Items 18 and 19 be continued to another meeting of the Commission.

He noted about an article on the paper regarding sewer inspection. The article represented what the staff at the Water Pollution Control Division does.
8. Public comments on matters that were not on today's agenda.

There was none.

REGULAR

9. Discussion of "pass-through" contracts. (Continued from the meeting of September 28, 1999.)

Item 9 was continued.

10. Presentation on Professional Services Selection Procedures. (Continued from the meeting of September 28, 1999.)

Item 10 was continued.

Commissioner Makras returned at 2:07 P.M.

11. Presentation on 24-hour work schedules used by PUC operations staff. (Continued from the meeting of September 28, 1999.)

Phil Arnold of the Bureau of Finance gave a presentation regarding the 24-hour work schedules used by PUC operations staff. Mr. Arnold noted that the Finance Bureau conducted a study of PUC operations that provide 24-hour services on a daily basis. The study reviewed nine different staffing patterns and covered 2 water treatment plants, 2 water pollution control plants, various dispatching operations at Water Supply & Treatment Division and the City Distribution Division, and the Moccasin powerhouse. Staff looked at various coverage requirements that are based on existing understanding with PUC employees and employee groups.

Mr. Arnold reported that the study found that the various patterns used to provide 24-hour operations on a daily basis satisfied different needs in the department. Those patterns evolved to meet specific situations in each department due to difficulty of recruitment and retention, training and licensing of employees, and MOU negotiations. The 9 patterns fall into 2 categories of staffing based on objectives being served. The first category provides minimum staffing for 24-hour coverage with no training and coverage provisions for other employees who may be off duty. The second provides staffing for 24-hour coverage with provision for training and coverage for other employees who may be off duty.

The study also found that the requirements in terms of full time equivalent staff vary from 4.67 at Lake Merced Pump Station to 5.94 at Harry Tracy Water Treatment Plant. The pattern requiring the least number of paid hours is the pattern that uses the fewest full time permanent staff and the most as-needed staff. Mr. Arnold stated that the finding was not consistent with the City's position to encourage the use of full time permanent staff and flexible work schedules.

Regarding the cost implications of staffing on a 24-hour basis, Mr. Arnold noted that 150 employees were assigned to 31 posts requiring 24-hour staffing. 120 of those employees work on treatment plants and their annual base compensation is \$70,000 to \$80,000. Mr. Arnold recommended a careful review of those patterns with the higher cost and those that have time built in to cover people who are on either vacation or sick leave.

Commissioner Cook commented that although the facts presented by staff were helpful, they do not address the issue that there are so many different staffing patterns within the 24-hour operational facilities. He emphasized that between the 12-hour and 8-hour shifts, the most efficient and less costly staffing pattern is the 8-hour shift which requires a 1.7 relief factor, has overlapping personnel to cover for training and leaves, and eliminates the use of overtime. He noted that he was looking for a staffing pattern that would be the most economical and productive. Mr. Arnold responded that staff's report had indicated that the least expensive pattern is the 8-hr shift and it is even less expensive if you cover them with a minimum number of full time equivalent staff filled in with part time as needed staff. He stated that it is the least costly if we were successful in recruiting and retaining employees to work those patterns and if labor agreements citywide allowed those types of employment. He noted that labor agreements are in variance with the least costly way to provide staffing.

Commissioner Cook noted that the most efficient way to manage staff is to have a unified staffing pattern.

Commissioner Makras suggested that staff illustrate an area within the PUC that uses the most prudent way to do business (other than the 8-hour shift) and demonstrate why that pattern makes more business sense. If it is the most efficient and productive way and a Memorandum of Understanding has locked us in, the Commission could request the Mayor to consider that issue in the negotiation of labor contracts.

Mr. Moran suggested that the three operating divisions give presentations to the Commission regarding the different operating hours and the benefits of the staffing pattern they currently use.

Commissioner Cook suggested that staff explore other staffing alternatives which are productive, fair and consistent and evaluate them based on costs and benefits.

President Caen continued Item 11 to the call of the chair. She directed staff to incorporate the comments made by Commissioner Makras and Commissioner Cook and to give presentation to the Commission as suggested by Mr. Moran.

5. Introduction of Old/Ongoing Business by Commissioners

Commissioner Makras commented that he asked staff to look into a sewer work problem located in Precita Avenue and staff had provided the documentation two weeks ago. He requested that staff give a report to the Commission. Mr. Moran stated that the circumstance at Precita pointed to coordination issues between the PUC and the Department of Public Works who was doing street paving work at the site. Mr. Moran noted that he would discuss the issue with the Director of the Department of Public Works.

President Caen directed staff to schedule on the PUC agenda Item Nos. 2CC, 9CC, and 14 of the Old/Ongoing Business List. Item 2CC is an agenda item regarding a permit with Mahikari. Item 9CC is an item regarding the implementation of the Housing Policy. Item 14 is a request for information to identify current housing occupants and their responsibilities.

12. Presentation on the activities of the Water Supply and Treatment Division's Productivity Task Force.

Cheryl Davis, Manager of Water Supply & Treatment Division, presented a report regarding the activities of the Water Supply & Treatment Division's Productivity Task Force. The task force, which is composed of entry level and first line supervisors, was formed to recommend ways to improve productivity in how to operate and maintain the water treatment facilities in a cost effective manner and meet water regulations.

Ms. Davis stated that the task force conducted onsite visits to other utility agencies to compare PUC's practices and procedures. Staff determined that the City was above average in terms of involving treatment operators in maintenance work. PUC treatment operators do a lot more preventive maintenance work compared to other agencies. She said that the City scored below average in training and written procedures, flexibility of assignments, preventive maintenance and administrative support.

Ms. Davis commented that recommendations have been made to further increase productivity; some of which were completed and others are in process. She stated that staff had done additional analysis concerning preventive maintenance, increased the use of the work order system to document actual maintenance work, and improved technical skills of staff. She noted that they plan to continue with the implementation of the recommendations and will update the Commission on the progress.

13. Modifying existing PUC policy to permit the use of metal halide street lighting for large development areas and the planned development at Mission Bay. (Continued from the meeting of September 14, 1999.)

Lawrence T. Klein, General Manager of Hetch Hetchy Water & Power, reported that as directed by the Commission at the previous meeting, staff prepared a cost analysis of the use of metal halide lights. The cost analysis determined that, at full build-out, (19 years), the proposed 615 metal halide lamps in Mission Bay would incur a differential in maintenance cost of \$1,800 per year to the City. Mr. Klein noted that the developer had proposed to provide enough spare lamps so that the City would not have to buy them for the 19 year-period.

Commissioner Makras remarked that he was initially concerned when staff first presented the agenda item but he now supports the project having read the letters from the Department of Public Works and the Arts Commission endorsing the economic analysis of the project.

Mr. Klein noted that the Board of Supervisors was preparing a resolution urging the PUC to support the use of metal halide lights. He also noted that the Art Commission was recommending similar lighting fixtures for the Third Street Corridor. He emphasized that as currently configured the change in policy only addresses contiguous compact areas like Mission Bay, Hunters Point, and Treasure Island, and it would not apply to the Third Street Corridor.

Commissioner Cook commented that he has reservations in supporting the project due to foreseeable increase in the cost of maintenance and replacement. He stated that he would support the project for the sake of progress and continuity of a new concept.

President Caen stated that she decided to support the use of metal halide lighting for the Mission Bay Project. In reference to the Art Commission's letter, she commented that the PUC is not in the business to make the City beautiful. She stated that she was concerned that high sodium vapor lighting has a longer life and better illumination but the Commission was making a move to approve the proposal as urged by various groups.

President Caen noted that this was a precedence and that many groups would request the Commission to change their lighting. While it was suggested that metal halide lighting was the new generation, she pointed out that it is unknown whether the existing lighting fixtures in the City would be replaced in the future. She cautioned the Commission to keep in mind the cost and quality of the lighting system.

Commissioner Makras stated that he endorsed President Caen's comments on how lighting systems in other areas of San Francisco should be dealt with. He emphasized that the Mission Bay Project was unique and has merits. He pointed out that there was a differential between what staff presented to the Commission and what is out there in

the industry. He stated that his own analysis showed that the lamp cost is \$8.72 versus \$11.43 and the initial total cost is \$114,000 versus \$117,000. The total annual operating cost is \$49 versus \$60, which is about 30% differential in operating cost. He noted that in the future he expects staff to present the same simple cost analysis with regard to operating costs.

Mr. Klein pointed out that the proposal was to replace high-pressure sodium vapor lights with equivalent wattage of metal halide and the operating cost is essentially the same for those two bulbs. He stated that visibility for both bulbs is the same, however, the proponents of metal halide lighting indicated that it is easier to see under white light than under high-pressure sodium vapor light.

Moved by Commissioner Makras, seconded by Commissioner Hom, to adopt Item 13; passed (4-0) unanimously.

Resolution No. 99-0268: Modifying existing PUC policy to permit the use of metal halide street lighting as an alternative to high-pressure sodium vapor street lighting for large development areas; and approving use of metal halide street lighting for the planned development at Mission Bay.

LEASES AND PERMITS

14. Authorizing the General Manager of Public Utilities to execute a 40-year lease with Koret Foundation for approximately 41,817 square feet of PUC land located on San Andreas Pipeline and Baden Merced Pipeline right of way, Parcel 22 in South San Francisco to be utilized as a parking lot, ingress and egress and landscaping at an annual rental rate of \$13,211.

Commissioner Makras requested continuance of Items 14 and 15. He noted that he would like to drive by those sites to analyze the effects of parking related to the real estate in the area to see if there is enhanced value beyond the square footage value presented by staff.

Commissioner Cook asked about the difference in the price per square foot between Items 14 and 15. Gary Dowd, Manager, Bureau of Commercial Land Management, responded that staff based the calculation of price on comparable land sales within the immediate vicinity of the properties. Item 14 is located in South San Francisco and Item 15 is in Mountain View.

Moved by Commissioner Makras, seconded by Commissioner Hom, to continue Item 14 to the next regular Commission meeting on October 26, 1999; passed (4-0) unanimously.

15. Authorizing the General Manager of Public Utilities to execute a five-year lease with Parkview West Homeowners Association for a total of 61,090 square feet of PUC land located on Bay Division Pipeline No. 3 and 4 right of way, Parcel 211 in Mountain View, to be utilized for parking, patios, and a pool recreation and lounge area for an adjacent condominium complex at an annual rental rate of \$3,570.05.

Arthur Jensen, General Manager of the Bay Area Water Users Association, expressed concerns that the proposed facilities would inhibit future use of the right of way not only for maintenance but also construction of new pipelines. Mr. Dowd replied that the lease boiler plate used by staff gives PUC liberal ability to tear things up and not replace them should a need arise to add additional pipeline or repair those pipes currently in place.

Moved by Commissioner Makras, seconded by Commissioner Hom, to continue Item 15 to the next regular Commission meeting on October 26, 1999; passed (4-0) unanimously.

CONSTRUCTION CONTRACTS

Advertise

16. Authorizing bid call for San Francisco Water Department Contract No. WD-2240, 8-Inch Ductile Iron Main Installation in Golden Gate Avenue from Van Ness Avenue to Divisadero Street.

Moved by Commissioner Cook, seconded by Commissioner Makras, to adopt Item 16; passed (4-0) unanimously.

Resolution No. 99-0269: Approving the final plans and specifications and authorizing bid call for San Francisco Water Department Contract No. WD-2240, 8-Inch Ductile Iron Main Installation in Golden Gate Avenue from Van Ness Avenue to Divisadero Street.

17. Authorizing bid call for San Francisco Water Department Contract No. WD-2262.

Moved by Commissioner Cook, seconded by Commissioner Makras, to adopt Item 17; passed (4-0) unanimously.

Resolution No. 99-0270: Approving the final plans and specifications and authorizing bid call for San Francisco Water Department Contract No. WD-2262, 6 and 8-Inch Ductile Iron Main Installation in Cesar Chavez Street from Noe Street to Mission Street, Shotwell Street to Harrison Street; and Day Street from Sanchez Street to Dolores Street.

Award

18. Finding the low bid submitted by Mountain Cascade for San Francisco Water Department Contract No. WD-2184, Crystal Springs Pipeline No. 1 Replacement, to be defective and non-responsive; and awarding the contract to the lowest responsive and responsible bidder, Mitchell Engineering in the amount of \$6,113,787. (Continued from the meeting of September 28, 1999.)

Item 18 was continued to October 26, 1999.

19. Awarding Clean Water Program Contract No. CW-204, Southeast Water Pollution Control Plant – Building 062 Improvements, in the amount of \$964,549 to Millard Tong Construction.

Item 19 was continued to October 26, 1999.

20. Awarding Clean Water Program Contract No. CW-246.

Moved by Commissioner Makras, seconded by Commissioner Hom, to adopt Item 20, passed (4-0) unanimously.

Resolution No. 99-0271: Awarding Clean Water Program Contract No. CW-246, Clay and Sacramento Streets Sewer Replacement, in the amount of \$715,959 to JMB Construction, Inc.

PROFESSIONAL SERVICE CONTRACTS

Advertise

21. Authorizing the Utilities Engineering Bureau Manager to request proposals, interview, select and recommend to the Commission a qualified firm to provide specialized construction management services for the San Francisco Water Supervisory Control and Data Acquisition System (SCADA) project, for a period of 24 months for an amount not to exceed \$1,600,000.

Everett Hintze, Acting Manager of Utilities Engineering Bureau, stated that the contract was being requested to supplement staff with personnel experienced in SCADA to manage the construction of the SCADA project. He noted that PUC staff does not have the expertise or resources to perform the job.

Commissioner Hom moved to adopt the item. President Caen seconded.

In response to Commissioner Makras' inquiries, Mr. Hintze stated that a program manager was necessary, as it gets difficult to manage construction when work begins at different sites. Fonda Davidis, Project Manager, also pointed out that the project

requires both additional staffing and people with expertise in instrumentation and control.

Commissioner Cook inquired how many more people are needed for the project. Mr. Davidis responded that eight more people are required that would be directly involved with construction and as-needed environmental, hazardous material and public affairs work.

Commissioner Makras stated that he would support the item if the environmental, hazardous materials and public affairs portion of the contract amounting to \$140,000 would be eliminated. Mr. Davidis noted that the manager would not physically perform these tasks but they will act in a consultant capacity. Commissioner Makras stated that if that was the case he would not support the item and he would like to see the contract to see what we are paying the contractor to do and what we want the program manager to do. He stated that the whole purpose of a program manager is to make the contractor perform the work asked for in the contract.

Commissioner Hom withdrew his motion and suggested continuance of the item so that staff can work on this further.

Commissioner Makras emphasized that he was not concerned over the money but the appropriateness of the job description. He noted that the environmental and public affairs work should not fall under the responsibility of the program manager and that it should be the construction manager's responsibility.

Moved by Commissioner Hom, seconded by Commissioner Makras, to continue Item 21 to the next regular Commission meeting on October 26, 1999, passed (4-0) unanimously.

Award

22. Awarding a contract for general public affairs and communications professional services and pollution prevention education professional services. (Continued from the meeting of September 28, 1999.)

Commissioner Makras asked for comments from the public. There were none. He asked whether the recommendation was consistent with staff's recommendation at the last meeting. Mr. Moran responded positively.

Moved by Commissioner Makras, seconded by Commissioner Hom, to adopt Item 22, passed (4-0) unanimously.

Resolution No. 99-0272:

Awarding a single contract for both general public affairs and communications professional services and pollution prevention education professional services for a contract amount not to exceed \$427,000 annually, to Wessling Creative Group for a three-year period, ending June 30, 2002.

Amend

23. Authorizing the General Manager of Public Utilities to execute the tenth amendment to the professional services contract with The Planning Collaborative; amending the scope of services; increasing the contract amount by an additional \$311,000; and extending the term of the contract to March 31, 2000. (Continued from the meeting of September 28, 1999.)

Moved by Commissioner Hom, seconded by Commissioner Makras, to continue Item 23, passed (4-0) unanimously.

Thereupon, the meeting was adjourned: 3:10 P.M.

Romaine A. Boldridge
Secretary

AGENDA

PUBLIC UTILITIES COMMISSION CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

REGULAR MEETING

October 26, 1999

1:30 P.M.
City Hall, Room 400
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COMMISSIONERS

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Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras
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Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

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1. Call to Order
2. Roll Call
3. Approval of Minutes
4. Communications
5. Introduction of Old/Ongoing Business by Commissioners
6. Introduction of New Business by Commissioners
7. Report of the General Manager
 - a. Personnel Hiring Update 7 mins. (Bowman)
8. Public Comments

Members of the public may address the Commission on matters that are within the Commission's jurisdiction and are not on today's agenda.

THE FOLLOWING MATTERS BEFORE THE PUBLIC UTILITIES COMMISSION ARE RECOMMENDED FOR ACTION AS STATED, BY THE GENERAL MANAGER OF PUBLIC UTILITIES, AND CITY ATTORNEY WHERE APPLICABLE.

REGULAR BUSINESS

9. Authorizing the General Manager of Public Utilities to request the Mayor to recommend to the Board of Supervisors a supplemental appropriation request of \$5,000,000 to construct odor control remediation projects at the Southeast Water Pollution Control Plant; and authorizing temporary funding to begin mitigation work on the odor problem. (Loiacono)

CONSTRUCTION CONTRACTS

Advertise

10. Rejecting bids received for Clean Water Program Contract No. CW-0005, Southeast Community Facility HVAC Control Retrofit and Upgrade; and approving readvertisement for bids under Contract No. CW-0005R. (Quan)

Award

11. Finding the low bid submitted by Mountain Cascade for San Francisco Water Department Contract No. WD-2184, Crystal Springs Pipeline No. 1 Replacement, to be defective and non-responsive; and awarding the contract to the lowest responsive and responsible bidder, Mitchell Engineering in the amount of \$6,113,787. (Continued from the meeting of October 12, 1999.) (Quan)
12. Awarding Clean Water Program Contract No. CW-204, Southeast Water Pollution Control Plant – Building 062 Improvements, in the amount of \$964,549 to Millard Tong Construction. (Continued from the meeting of October 12, 1999.) (Quan)
13. Awarding San Francisco Water Department Contract WD-2257, 8-Inch Ductile Iron Main Installation in Waller Street between Stanyan Street and Central Avenue, in the amount of \$620,800 to the lowest responsive and responsible bidder, JMB Construction, Inc. (Quan)
14. Awarding Clean Water Program Contract No. CW-210, Polk/Francisco/Quincy Streets Sewer Replacement, in the amount of \$236,070 to the lowest responsive and responsible bidder, Shaw Pipelines, Inc. (Quan)

PROFESSIONAL SERVICE CONTRACTS

Advertise

15. Authorizing the Utilities Engineering Bureau Manager to request proposals, interview, select and recommend to the Commission a qualified firm to provide specialized construction management services for the San Francisco Water Supervisory Control and Data Acquisition System (SCADA) project, for a period of 24 months for an amount not to exceed \$1,600,000. (Continued from the meeting of October 12, 1999.) (Quan)

16. Authorizing the Utilities Engineering Bureau Manager to negotiate with the following eleven (11) consultant teams in the order of their rank as follows to provide Group A Specialized Engineering Services: Olivia Chen Consultants; Lee, Inc.; Manna Consultants; Kennedy Jenks/SJ Engineering; CH2M Hill/Ocampo Esta; SOHA/Telamon; Harza; Tetra Tech; Structural Design Engineers; FE Jordan; and CTS/HLA; authorizing the Utilities Engineering Bureau Manager to execute agreements with the seven (7) highest ranked consultants from group A who will arrive at an agreement with the City within the allocated four (4) weeks time specified in the RFP. The top three successful firms shall be authorized \$800,000 each and the remaining four firms shall be authorized \$400,000 each, for the sum total of four million dollars (\$4,000,000); rejecting the proposals received for Group B Construction Management Services; authorizing readvertisement for new proposals, and to interview, select, and recommend qualified engineering firms for up to three separate agreements to provide construction management services each for a period of 24 months with a total spending authority of \$2,000,000. (Quan)

Amend

17. Authorizing the General Manager of Public Utilities to execute the tenth amendment to the professional services contract with The Planning Collaborative; amending the scope of services; increasing the contract amount by an additional \$311,000; and extending the term of the contract to March 31, 2000. (Continued from the meeting of October 12, 1999.) (Dowd)
18. Requesting approval to reallocate improvements from Phase 2 of the Sunol Valley Water Treatment Plant Improvement Project to Phase 1 based on the Phase 1 and 2 conceptual engineering efforts. If approved, authorizing implementation by approving the contract modification with Montgomery Watson/AGS/Structus Joint Venture in the amount of \$809,424 to provide detailed design of plate settlers and functional upgrades at the Sunol Valley Water Treatment Plant for a total contract amount not to exceed \$6,046,382; and authorizing the Utilities Engineering Bureau Manager to execute the modification. (Mallett)
19. Amending the professional services agreement with EDAW, Inc. to extend the contract by eight months to finalize the Program EIR for the Comprehensive Watershed Management Plans and Policy for the SF Peninsula and Alameda creek Watershed lands. (Davis)

CLOSED SESSION

20. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator – Pursuant to Government Code Section 54956.8:

Anticipated Litigation: As Plaintiff and as Defendant
Property: 500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County
Parties Negotiating: Lymburn/Thompson/Malamut
City of Pleasanton
Under Negotiation: Terms and Conditions

21. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property: Balboa Reservoir Property at Phelan and Ocean Avenue
Parties Negotiating: CCSF – Dowd/Kubick
San Francisco City College
Under Negotiation: Terms

22. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b): (Clayton)

Anticipated Litigation: As Defendant – Several potential proposers on the Program Management Request for Proposal have threatened litigation.

23. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b): (Sandler)

Anticipated Litigation: As Plaintiff and/or Defendant
Property: Peninsula Gun Club site, south of the west end of the Dumbarton Bridge, in San Mateo County

24. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b)(c): (Clayton/Donovan)

Anticipated Litigation: As Defendant

25. Public comments on matters to be discussed in Closed Session.
26. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

THE PUBLIC UTILITIES COMMISSION WILL GO INTO CLOSED SESSION TO DISCUSS ABOVE LISTED CLOSED SESSION MATTERS.

FOLLOWING THE CLOSED SESSION, THE PUBLIC UTILITIES COMMISSION WILL RECONVENE IN PUBLIC SESSION.

27. Announcement following Closed Session.
28. Motion regarding whether to disclose the discussions during Closed Session.

ADJOURNMENT

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Public Utilities Commission
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MINUTES

PUBLIC UTILITIES COMMISSION CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

REGULAR MEETING

October 26, 1999
1:30 P.M.
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras
Ben L. Hom

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System Planning Environment and Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

1. Call to Order: 1:38 P.M.
2. Roll Call: Present - Vice President Frank L. Cook, Commissioner E. Dennis Normandy, Commissioner Victor G. Makras, Commissioner Ben L. Hom

Commissioner Normandy arrived at 1:40 P.M.

Excused - President Ann Moller Caen

Vice President Cook presided.

3. Approval of Minutes

Moved by Commissioner Hom, seconded by Commissioner Makras, to approve the Minutes of the Regular Meeting of July 27, 1999, the Minutes of the Regular Meeting of September 28, 1999, and the Minutes of the Special Meeting of October 12, 1999; passed (3-0) unanimously.

4. Communications

No action was taken.

5. Introduction of Old/Ongoing Business by Commissioners

No action was taken.

6. Introduction of New Business by Commissioners

Commissioner Makras recommended revising the format of agenda items to include the pros and cons of each staff recommendation. He indicated that presenting the pros and cons would widen the discussion on each item and put more options on the table for the Commission.

Vice President Cook announced that Anson B. Moran had submitted a letter announcing his retirement from his position as General Manager of Public Utilities effective in January 2000. He expressed his appreciation to Mr. Moran for serving San Francisco well and wished him good luck in his retirement.

Mr. Moran noted that during his 7-year tenure as General Manager, the department had made accomplishments in the protection of water rights, secured settlement agreements on Tuolumne and San Joaquin Rivers, made investments in water quality monitoring & protection and treatment, moved to a single water utility, initiated major system planning efforts, developed the first 10-year Capital Improvement Program (CIP), and obtained voter authority for the first \$304 million to implement that program.

He thanked the members of the Commission for their support in all of these undertakings.

Commissioner Normandy commended Mr. Moran for his vision, his ability to be in control, and his patience in dealing with everyone. He thanked him for his brilliant work as General Manager of PUC. Commissioner Makras thanked Mr. Moran for his 26 years of service to San Francisco and said that Mr. Moran had served the City well. Commissioner Horn extended his good wishes to Mr. Moran for the future.

7. Report of the General Manager

Power Disruption

Laurie Park, Water & Power Resources Manager at Hetch Hetchy Water & Power, reported that on October 21, 1999, the California Independent System Operator (ISO) advised that the peak load in San Francisco could reach as high as 900 megawatt which is close to the historic peak of 920 megawatt. The ISO, concerned that Hunters Point Unit No. 4 and Potrero No. 3 were out of service at the time, directed that precautionary measures be taken including voluntary curtailment. PG&E contacted all the largest customers in San Francisco including the City and asked them to turn off non-essential loads, lighting, ventilation and functions that can be delayed to a later time. The actual peak experience in San Francisco turned out to be 870 megawatt at 3:00 pm. Ms. Park noted that Potrero No. 3 was restored to service on October 22, 1999 at 1:25 p.m.

Ms. Park summarized the events that took place. She noted that there was confusion over the responsibilities of the ISO, PG&E, and the City. The communication system did not work well as several parties made contacts with the different City departments giving conflicting directions. The urgency of the situation of voluntary curtailment was not clearly conveyed. There was insufficient direction as to what the City's involvement should be.

Ms. Park noted that the City Attorney's Office had written a letter to PG&E expressing concerns regarding the communications system. She stated that the ISO also asked PUC's assistance in facilitating a meeting with the City, PG&E and ISO to prepare a coordinated action plan and protocol for future communication and response in the event of the need for voluntary curtailments.

Ms. Park pointed out that the incident heightens the concern regarding the fragility of electric reliability in San Francisco with the Hunters Point Power Plant No. 4 being out of service for sometime. Repair of the plant is expected to be complete on March 1, 2000.

Commissioner Makras recommended that staff write to PG&E to inform them of PUC's expectations with regard to communication and emergency systems and the urgency in establishing them. Commissioner Normandy suggested that the letter should also

define what is being called for and the various entities that should be involved. Vice President Cook directed staff to start the process of setting up a protocol that will coordinate emergency response efforts.

Commissioner Normandy stressed the need to fast track Hetch Hetchy's business plan and put it in place by the turn of the year. Vice President Cook suggested another line for emergency back up.

Water Quality Issues

Andrew De Graca, Manager of Water Quality Bureau, reported that Highway 92 was closed early this morning due to a white powder spill between the Lower and Upper Crystal Springs Reservoirs. Various agencies including PUC responded due to concerns about what the material was. It turned out that it was well-drilling material and non-toxic.

Mr. De Graca also reported that staff had received a small number of complaints about white water. He explained that white water is air entrained in the water. He said that staff would issue a press release as they expect the problem will continue for several more days. Also, they would be taking operational actions and would coordinate them with Bay Area Water Users Association (BAWUA) agencies.

Personnel Report

Dorothy Bowman, Manager of the Bureau of Personnel & Training, presented a report regarding the status of personnel hiring using overhead projection slides. Ms. Bowman reported that in the fiscal year 1998-1999, there were 600 vacancies and half of those were filled over the fiscal year. There were 167 new hires. Attrition for the year was about 9% of the total population for permanent and temporary positions. The fiscal year ended with a vacancy rate of 15%.

Ms. Bowman noted that this fiscal year, 1999-2000, there was a slight increase in total number of permanent vacancies. She stated that this year they counted permanent positions separately from temporary positions. Last year they tracked against 2,102 temporary and permanent positions. This year, they were tracking against 1,845 permanent positions. They filled 97 positions during the first quarter of the year. The attrition rate over the 3-month period was 2% of the total population. There are currently 241 permanent vacancies or a 13% vacancy rate.

8. Public comments on matters that were not on today's agenda.

Jane Nurre, Vice President and Secretary of the Citizens Advisory Committee (CAC) on Waste Water Management, commented that the CAC had sent a letter and a resolution adopted by CAC requesting the Commission to clarify the roles of the CAC. Ms. Nurre stated that they are still awaiting response from PUC. Vice President Cook commented that staff should start a process of advising CAC of any plans related to the clean water system. He directed staff to schedule this matter for discussion within the next two meetings.

REGULAR

9. Supplemental appropriation request to construct odor control remediation projects at the Southeast Water Pollution Control Plant.

Moved by Commissioner Makras, seconded by Commissioner Hom to adopt the following resolution; passed (4-0) unanimously.

Resolution No. 99-0273: Authorizing the General Manager of Public Utilities to request the Mayor to recommend to the Board of Supervisors a supplemental appropriation request of \$5,000,000 to construct odor control remediation projects at the Southeast Water Pollution Control Plant; and authorizing temporary funding to begin mitigation work on the odor problem.

CONSTRUCTION CONTRACTS

Advertise

10. Rejecting bids received for Clean Water Program Contract No. CW-0005.

Michael Quan, Manager of Utilities Engineering Bureau, advised that staff recommended rejecting the two bids received and re-advertising the contract. There were only two bids received due to the busy bid climate at that time. Mr. Quan stated that the lowest bid came in under engineer's estimate but it was declared non-responsive due to non-compliance with Human Rights Commission's (HRC) subcontracting goals. The other bid was 39% over the engineer's estimate.

Commissioner Makras commented that he was voting against staff's recommendation to keep the integrity of the bid process. He stated that respect should be afforded to every company that spends money to put their bid forward and that if we have one qualified bidder we should award the contract to that bidder. He questioned why we would spend more money in rebidding the contract when we already know there is a lot of business

going on and we may not be getting any more bidders. He suggested a policy recommendation for awarding contracts based on merit and fairness to uphold the integrity of the bid process.

Commissioner Normandy commented that he concurs with Commissioner Makras' comments in general; however, he would vote in favor of staff's recommendation in this instance as the two bidders showed disrespect to the process. One of the bidders bid over the engineer's estimate and the other did not comply with HRC's subcontracting goals.

Moved by Commissioner Normandy, seconded by Commissioner Hom to adopt the following resolution; passed (3-1). Commissioner Makras voted no.

Resolution No. 99-0274: Rejecting bids received for Clean Water Program Contract No. CW-0005, Southeast Community Facility HVAC Control Retrofit and Upgrade; and approving readvertisement for bids under Contract No. CW-0005R.

Award

11. Finding the low bid submitted by Mountain Cascade for San Francisco Water Department Contract No. WD-2184, Crystal Springs Pipeline No. 1 Replacement, to be defective and non-responsive; and awarding the contract to the lowest responsive and responsible bidder, Mitchell Engineering in the amount of \$6,113,787. (Continued from the meeting of October 12, 1999.)

Moved by Commissioner Normandy, seconded by Commissioner Hom to continue Item 11 to the next Commission meeting scheduled on November 9, 1999; passed (4-0) unanimously.

12. Awarding Clean Water Program Contract No. CW-204, Southeast Water Pollution Control Plant – Building 062 Improvements, in the amount of \$964,549 to Millard Tong Construction. (Continued from the meeting of October 12, 1999.)

Moved by Commissioner Normandy, seconded by Commissioner Hom to continue Item 12 to the next Commission meeting scheduled on November 9, 1999; passed (4-0) unanimously.

13. Awarding San Francisco Water Department Contract WD-2257.

Moved by Commissioner Hom, seconded by Commissioner Normandy to adopt the following resolution; passed (4-0) unanimously.

Resolution No. 99-0275: Awarding San Francisco Water Department Contract WD-2257, 8-Inch Ductile Iron Main Installation in Waller Street between Stanyan Street and Central Avenue, in the amount of \$620,800 to the lowest responsive and responsible bidder, JMB Construction, Inc.

14. Awarding Clean Water Program Contract No. CW-210.

Moved by Commissioner Normandy, seconded by Commissioner Hom to adopt the following resolution; passed (4-0) unanimously.

Resolution No. 99-0276: Awarding Clean Water Program Contract No. CW-210, Polk/Francisco/Quincy Streets Sewer Replacement, in the amount of \$236,070 to the lowest responsive and responsible bidder, Shaw Pipelines, Inc.

PROFESSIONAL SERVICE CONTRACTS

Advertise

15. Request for Proposals to provide specialized construction management services for the San Francisco Water Supervisory Control and Data Acquisition System (SCADA) project. (Continued from the meeting of October 12, 1999.)

Michael Quan, Manager of Utilities Engineering Bureau, noted that staff was recommending deletion of environmental hazardous materials and public affairs activities from the proposed Request for Proposal (RFP) reducing the cost of the contract from \$1.6 million to \$1.4 million. This recommendation addresses Commission's concerns at the last meeting regarding the inappropriateness of including these activities in the scope of services covered by the proposed RFP. Staff was able to obtain these services through other contracts.

Commissioner Normandy inquired about the immediacy of the award of the SCADA contract in comparison to the time frame of the program management process. Mr. Quan indicated that construction activities for SCADA are already ongoing. Interim construction management services are required to oversee the construction activities, review schedules, evaluate and assist in processing claims and provide technical inspection services.

Commissioner Normandy inquired about the plans for blending the activities of the SCADA construction manager with the program manager to avoid duplication of work. Commissioner Makras also asked why there is a need for two program managers. Fonda Davidis, Project Manager, replied that the program manager will provide oversight and the SCADA construction manager will have direct control specifically over the SCADA project. When the construction contract is completed, the contract with the construction manager would be terminated and the Program Manager would take over. Mr. Moran reaffirmed that there would be no duplication of efforts between the SCADA construction manager and the Program Manager.

Commissioner Makras inquired whether the firms that bid the Program Manager are precluded from bidding for this contract. Mr. Davidis stated that staff was not planning to preclude them. Mary Williams from the Bureau of System Planning Environment & Compliance explained that construction management services are included in the scope of services for the Program Manager. Mr. Moran added that if somebody were awarded this contract they would not be precluded from being awarded the program management contract, as the two contracts are compatible.

Responding to Vice President Cook's question regarding funding for 24 months, Mr. Davidis stated that although the project has been undergoing for 18 months, he allowed for six months additional funding to cover the cost of documentation activities, preparation of operations manuals, training on the SCADA system, and processing of claims.

Moved by Commissioner Makras, seconded by Commissioner Hom, to adopt Item 15 as amended; passed (3-0) unanimously. Commissioner Makras was excused at 2:52 p.m. before the vote.

Resolution No. 99-0277: Authorizing the Utilities Engineering Bureau Manager to request proposals, interview, select and recommend to the Commission a qualified firm to provide specialized construction management services for the San Francisco Water Supervisory Control and Data Acquisition System (SCADA) project, for a period of 24 months for an amount not to exceed \$1,460,000.

Commissioner Makras returned at 2:55 P.M.

16. Authorizing negotiation with eleven (11) consultant teams to provide Group A Specialized Engineering Services; authorizing the Utilities Engineering Bureau Manager to execute agreements with the seven (7) highest ranked consultants from group A who will arrive at an agreement with the City within the allocated four (4) weeks time specified in the RFP for a total of \$4,000,000; rejecting the proposals received for Group B Construction Management Services; authorizing re-advertisement for new proposals, and to interview, select, and recommend qualified engineering firms for up to three separate agreements to provide construction management services each for a period of 24 months with a total spending authority of \$2,000,000.

Group A - Specialized Engineering Services

Phil dela Cruz, Project Manager, reported that 12 proposals were received for Group A Specialized Engineering Services and staff short listed it to 11. Out of the 11 short listed candidates, they rejected one bidder that was found non-responsive.

Commissioner Normandy referred to a letter from Lee Incorporated requesting PUC to reverse the recommendations by HRC declaring Lee Inc.'s bid non-responsive. Virginia Harmon, HRC Compliance Officer, explained that Lee Incorporated, who ranked No. 2, was determined non-responsive on October 8, 1999. She stated that Lee listed a firm that was not certified by HRC and therefore they did not meet the sub-contracting goals of the contract. Commissioner Cook suggested that Lee Incorporated file their protest with the Human Rights Commission, as PUC cannot rectify another Commission's action.

Commissioner Makras recommended authorizing staff to negotiate with all 10 qualified bidders within the suggested four-week time frame, divide the \$4 million contract among the 10 consultants and keep all negotiations in good faith. If an impasse is reached with a contractor, staff can proceed with those who negotiated in good faith.

Mr. Moran inquired whether the terms of the Request for Proposal allows awarding the contract to all bidders and whether the nature of the work would mean additional work for staff. Mr. Dela Cruz responded that the City Attorney's opinion was solicited on whether staff could negotiate with all ten bidders but a response has not been received yet. Commissioner Normandy noted that if it could be done legally, and it would not mean increased workload for staff, he would support Commissioner Makras' proposal.

Vicki Clayton, Utilities General Counsel, requested continuing the item until the next meeting to determine whether there are legal impediments in changing the recommendation at this point. Commissioner Makras pointed out that the RFP was drafted to give flexibility to the Commission if it is in the best interest of the City. He added that it has always been the Commission's mission to create a larger pool of consultants and he doubted that the RFP would limit that.

Public Comments:

Patrick Greenan, President of Construction Testing Services Inc., commented that since the Commission was awarding the contract to all qualified bidders, he was withdrawing their protest. Ms. Harmon noted that CTS was not entitled to receive a rating discount since they joint ventured with a firm that was not certified by HRC and that CTS's protest was without merit.

Dr. Ellen Lee, President of Lee Inc., expressed her objection to HRC's recommendation that Lee Inc. was not responsive and requested PUC to reverse HRC's action. When asked by Commissioner Makras why Lee Inc. was disqualified, Ms. Lee responded that there was a typographical error in the way their sub consultants were listed in the RFP. Both Vice President Cook and Commissioner Normandy suggested that Lee take their protest to HRC, as the PUC is not in the position to reverse another Commission's decision.

Commissioner Makras moved to authorize the \$4 million spending authority and authorize staff to negotiate with all of the bidders within the four-week time frame and divide the work equally. Commissioner Normandy seconded with the proviso that we receive clearance from the City Attorney regarding the provisions of the RFP.

Moved by Commissioner Makras, seconded by Commissioner Normandy to approve the following resolution for Item 16, Group A Specialized Engineering Services ; passed (4-0) unanimously.

Resolution No. 99-0278: Authorizing the Utilities Engineering Bureau Manager to negotiate with the following 10 consultants in the order of their rank, as follows, to provide Group A services: Olivia Chen Consultants; Manna Consultants; Kennedy Jenks/SJ Engineering; CH2M Hill/Ocampo Esta; SOHA/Telamon; Harza; Tetra Tech; Structural Design Engineers; FE Jordan; and CTS/HLA; and, with the proviso that the Commission has the latitude to do so, this Commission hereby authorizes the UEB Manager to execute agreements with all of the qualified consultants from Group A who will arrive at an agreement with the City within the allocated four (4) weeks time specified in the RFP, and to allocate the four million dollars (\$4,000,000) equally among the executed agreements.

Group B Construction Management Services

Mr. Dela Cruz noted that nine proposals were received for Group B and eight firms were short-listed. After the interview process, staff discovered that there was a potential conflict of interest with four firms. With the reduced number of consultants, staff was concerned that they may not be able to employ the best-qualified bidders. Therefore,

staff's recommendation was to reject the bids received and re-advertise the contract.

Commissioner Makras recommended authorizing staff to negotiate with four of the eight bidders and eliminate the four firms that have potential conflicts. He wanted to proceed with the four responsive bidders to hold the integrity of the bid process and stay consistent with the way PUC does business. Commissioner Normandy expressed support for Commissioner Makras' recommendation if the four bidders were all qualified.

Mr. dela Cruz noted that due process had not been given to notify those firms being disqualified. Ms. Clayton pointed out that the due process referred to was to give these firms notice and opportunity to respond and only after due process can the Commission decide what to do based on information those firms would provide. She also noted that the calendar item was narrowly drawn and does not give notice of potential decision to disqualify some bidders.

Commissioner Normandy expressed his opinion that due process should be followed to be consistent in our desire to be conclusive and allow those disqualified firms to respond. He moved to continue the Group B contract to the next meeting until due process has been followed and there is a clear determination of which firms remain qualified.

Commissioner Makras asked why these firms were not notified. Mr. dela Cruz responded that pending receipt of the City Attorney's opinion staff did nothing on the issue of conflict of interest.

Commissioner Normandy suggested amending the resolution to reflect his and Commissioner Makras' recommendation not to rebid the contract. Commissioner Makras pointed out that he would support continuance of Group B but he would still support awarding the contract to the four qualified bidders and dividing the \$2 million accordingly. He suggested that for the next meeting, he would like staff to present two resolutions; one that was recommended by staff today to rebid the contract, and the other resolution incorporating the Commission's recommendation.

Art Jensen, General Manager of the Bay Area Water Users Association, suggested that the Commission authorize staff to proceed to negotiate with all of the qualified Group B firms that do not have a conflict of interest. He also asked which projects are being affected by this contract and the consequence in delaying it. Commissioner Makras noted that if the Commission proceeds with the four qualified firms, the work would move faster than if the Commission took staff's recommendation to readvertise. Mr. Quan, Manager of the Utilities Engineering Bureau, noted that the project was already six to eight weeks delayed.

Anton Le, Chief Executive Officer of Manna Consultants, commented that their firm had put together over 15 different subconsultants and were ready to jumpstart this project as soon as they were given the notice to proceed.

Moved by Commissioner Normandy, seconded by Commissioner Makras to continue the request regarding Group B Construction Management Services to the next Commission meeting; passed (4-0) unanimously.

Amend

17. Amending the professional services contract with The Planning Collaborative.
(Continued from the meeting of October 12, 1999.)

Moved by Commissioner Makras, seconded by Commissioner Normandy to adopt the following resolution; passed (4-0) unanimously.

Resolution No. 99-0279: Authorizing the General Manager of Public Utilities to execute the tenth amendment to the professional services contract with The Planning Collaborative; amending the scope of services; increasing the contract amount by an additional \$311,000; and extending the term of the contract to March 31, 2000.

18. Reallocating improvements from Phase 2 of the Sunol Valley Water Treatment Plant Improvement Project to Phase 1.

Moved by Commissioner Normandy, seconded by Commissioner Makras to adopt the following resolution; passed (4-0) unanimously.

Resolution No. 99-0280: Requesting approval to reallocate improvements from Phase 2 of the Sunol Valley Water Treatment Plant Improvement Project to Phase 1 based on the Phase 1 and 2 conceptual engineering efforts. If approved, authorizing implementation by approving the contract modification with Montgomery Watson/AGS/Structus Joint Venture in the amount of \$809,424 to provide detailed design of plate settlers and functional upgrades at the Sunol Valley Water Treatment Plant for a total contract amount not to exceed \$6,046,382; and authorizing the Utilities Engineering Bureau Manager to execute the modification.

19. Amending the agreement with EDAW, Inc.

Moved by Commissioner Makras, seconded by Commissioner Normandy, to adopt the following resolution; passed (4-0) unanimously.

Resolution No. 99-0281: Amending the professional services agreement with EDAW, Inc. to extend the contract by eight months to finalize the Program EIR for the Comprehensive Watershed Management Plans and Policy for the SF Peninsula and Alameda creek Watershed lands.

CLOSED SESSION

20. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator – Pursuant to Government Code Section 54956.8:

Anticipated Litigation: As Plaintiff and as Defendant
Property: 500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County
Parties Negotiating: Lymburn/Thompson/Malamut
City of Pleasanton
Under Negotiation: Terms and Conditions

No action was taken.

21. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property: Balboa Reservoir Property at Phelan and Ocean Avenue
Parties Negotiating: CCSF – Dowd/Kubick
San Francisco City College
Under Negotiation: Terms

No action was taken.

22. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b):

Anticipated Litigation: As Defendant – Several potential proposers on the Program Management Request for Proposal have threatened litigation.

No action was taken.

23. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b):

Anticipated Litigation: As Plaintiff and/or Defendant
Property: Peninsula Gun Club site, south of the west end of the Dumbarton Bridge, in San Mateo County

No action was taken.

24. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b)(c):

Anticipated Litigation: As Defendant

No action was taken.

25. Public comments on matters to be discussed in Closed Session.

There was none.

26. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

Moved by Commissioner Normandy, seconded by Commissioner Hom, to assert the attorney-client privilege; passed (3-0) unanimously.

Commissioner Makras was excused from 3:40 P.M. to 3:42 P.M.

The Public Utilities Commission met in Closed Session at 3:43 P.M. to discuss the above listed Closed Session items:

At 5:24 P.M., the Public Utilities Commission reconvened in open session.

27. Announcement following Closed Session.

Vice President Cook announced the actions taken during the Closed Session.

28. Motion regarding whether to disclose the discussions during Closed Session.

Moved by Commissioner Hom, seconded by Commissioner Normandy, not to disclose the discussion during the Closed Session; passed (4-0) unanimously.

Thereupon, the meeting was adjourned: 5:28 P.M.

Romaine A. Boldridge
Secretary

AGENDA

PUBLIC UTILITIES COMMISSION CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

SPECIAL MEETING

October 26, 1999

Immediately following the 1:30 P.M. Regular Meeting

City Hall, Room 400
1 Dr. Carlton B. Goodlett Place DOCUMENTS DEPT.

COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras
Ben L. Hom

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Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

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The following services are available on request 48 hours prior to the meeting; except for Monday meetings, for which the deadline shall be 4:00 p.m. of the last business day of the preceding week: For American sign language interpreters or the use of a reader during a meeting, a sound enhancement system, and/or alternative formats of the agenda and minutes, please contact Romaine Boldridge at (415) 554-3165 or our TDD at (415) 554-3488 to make arrangements for the accommodation. Late requests will be honored, if possible.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the City accommodate these individuals. Individuals with chemical sensitivity or related disabilities should call our accessibility hotline at (415) 554-6060.

Know your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code)

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils, and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at (415) 554-4851.

San Francisco Lobbyist Ordinance

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Special

MINUTES

PUBLIC UTILITIES COMMISSION CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

SPECIAL MEETING

October 26, 1999
Immediately following the 1:30 P.M. Regular Meeting
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras
Ben L. Hom

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 City Distribution Division
 Water Supply & Treatment
Hetch Hetchy
Clean Water Program
 Water Pollution Control

BUREAUS

Commercial Land Management
Customer Service
Finance
Management Information Systems
Personnel and Training
System Planning Environment and Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

1. Call to Order: 3:43 P.M.
2. Roll Call: Present - Vice President Frank L. Cook, Commissioner E. Dennis Normandy, Commissioner Victor G. Makras, Commissioner Ben L. Hom

Excused - President Ann Moller Caen

Vice President Cook presided.

3. Public comments on matters that were not on today's agenda.

There was none.

CLOSED SESSION

4. Public Employee Performance Evaluation – Pursuant to Government Code Section 54957:

Position: General Manager, Public Utilities

No action was taken.

5. Public comments on matters to be discussed in Closed Session.

There was none.

6. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

Moved by Commissioner Normandy, seconded by Commissioner Hom, to assert the attorney-client privilege; passed (3-0) unanimously. Commissioner Makras was excused during the vote.

7. Announcement following Closed Session.

Vice President Cook announced that no action was taken during the Closed Session. He said that the Commission will form a transition plan to make sure that there is a smooth transition when the General Manager retires and to develop a plan that is in the best interest of the City. Mr. Moran will be a key player in the formulation of that plan.

8. Motion regarding whether to disclose the discussions during Closed Session.

Moved by Commissioner Hom, seconded by Commissioner Normandy, not to disclose the discussion during the Closed Session; passed (4-0) unanimously.

Thereupon, the meeting was adjourned: 5:28 P.M.

Romaine A. Boldridge
Secretary

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AGENDA

PUBLIC UTILITIES COMMISSION CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

REGULAR MEETING

November 9, 1999
1:30 P.M.
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras
Ben L. Hom

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Management Information Systems
Personnel and Training
System Planning Environment and Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

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ORDER OF BUSINESS:

1. Call to Order
2. Roll Call
3. Approval of Minutes
4. Communications
5. Introduction of Old/Ongoing Business by Commissioners
6. Introduction of New Business by Commissioners
7. Report of the General Manager
8. Public Comments

Members of the public may address the Commission on matters that are within the Commission's jurisdiction and are not on today's agenda.

THE FOLLOWING MATTERS BEFORE THE PUBLIC UTILITIES COMMISSION ARE RECOMMENDED FOR ACTION AS STATED, BY THE GENERAL MANAGER OF PUBLIC UTILITIES, AND CITY ATTORNEY WHERE APPLICABLE.

REGULAR BUSINESS

9. Discussion of contracting issues. 7 mins. (Moran)
10. Discussion of Housing Policy. 5 mins. (Olsen)

11. To consider a grant from the United States Environmental Protection Agency to implement decentralized waste and storm water treatment technologies. (Carlin)

Recommendation: Authorize the General Manager of Public Utilities to apply for, accept and expend a grant of up to \$250,000 from the United States Environmental Protection Agency to study opportunities for implementing decentralized waste and storm water treatment technologies.

12. To consider providing credit and debit card services as modes of payment for water and sewer bills. (Mullane)

Recommendation: Request the Treasurer's Office to amend an existing contract with the Bank of America to allow the use of credit and debit cards for the payment of water and sewer bills by its customers.

13. Report on activities and accomplishments in relation to staff training and development of procedures manuals. 9 mins. (Kukula)

CONSTRUCTION CONTRACTS

Advertise

14. To consider San Francisco Water Department Contract No. WD-2184. Crystal Springs Pipeline No. 1 Replacement. (Continued from the meeting of October 26, 1999.) (Quan)

Recommendation: Reject all bids received for Contract No. WD-2184, and authorize readvertisement of the contract as San Francisco Water Department Contract No. WD-2184R.

Award

15. To consider Clean Water Program Contract No. CW-226. Fulton and Vicente Pump Stations Abandonment. (Quan)

Recommendation: Award Clean Water Program Contract No. CW-226 to Millard Tong Construction, in the amount of \$174,000.

16. To consider San Francisco Water Department Contract No. WD-2214, 8-inch Ductile Iron Mail Installation in Broadway, between Pierce Street and Steiner Street, and between Fillmore Street and Van Ness Avenue. (Quan)

Recommendation: Award Water Department Contract No. WD-2214, in the amount of \$812,750 to the lowest responsive and responsible bidder, P & J Utility Company.
17. To consider Water Department Contract No. WD-2261, 8-Inch Ductile Iron Main Installation in California Street from Fillmore Street to Van Ness Avenue. (Quan)

Recommendation: Award Water Department Contract No. WD-2261 in the amount of \$652,040 to the lowest responsible and responsive bidder, D'Arcy & Harty Construction, Inc.
18. To consider Water Department Contract No. WD-2276, 6-Inch and 8-Inch Ductile Iron Main Installation in Brannan Street between Delancey and Third Streets; in Second Street between Townsend and Harrison Streets; in Taber Place and in South Park Avenue between Second and Third Streets. (Quan)

Recommendation: Declare the bid submitted by the low bidder, Saliba Corporation as non-responsive; and award the contract in the amount of \$980,150 to the lowest responsible and responsive bidder, Shaw Pipeline, Inc.

PROFESSIONAL SERVICE CONTRACTS

Award

19. To consider Consultant Contract No. CS-525, Group A, to provide specialized engineering services. (dela Cruz)

Recommendation: Negotiate with the following ten (10) Consultant teams in the order of their rank, as follows, to provide Group A services: Olivia Chen Consultants; Manna Consultants; Kennedy Jenks/SJ Engineering; CH2M Hill/Ocampo Esta; SOHA/Telamon; Harza; Tetra Tech; Structural Design Engineers; FE Jordan; and CTS/HLA: execute agreements with the seven highest ranked consultants from Group A who will arrive at an agreement with the City within the allocated four (4) weeks specified in the RFP; and to continue negotiations with teams 8, 9, and 10; authorize award to the top three successful Group A firms an amount of \$800,000 each and the remaining four firms an amount of \$400,000 each, for the sum total of \$4,000,000.

20. To consider Consultant Contract No. CS-525, Group B, to provide construction management services. (Continued from the meeting of October 26, 1999.) (dela Cruz)

Recommendation: Negotiate with four consultant teams in the order of their rank, as follows, to provided Group B services: Don Todd Associates, Inc./Arcost CPM Group, Inc. JV; Business Development, Inc./Underground Construction Managers, Inc. JV; The Allen Group; and EPC Consultants, Inc./Mendoza & Associates, a joint venture; execute agreements with three highest ranked consultants who will arrive at an agreement with the City within the allocated four (4) weeks specified in the RFP; and to continue negotiations with the fourth ranked firm; award the top ranked Group B firm an amount of \$800,000; and the remaining two firms an amount of \$600,000 each, for the sum total of \$2,000,000.

Amend

21. To consider Project No. CS-521, Engineering Services for City Distribution Capital Project, Engineering Consultant Services (Pool). (Kubick)

Recommendation: Approve task orders for the four consultant teams who have signed SFPUC agreements for this project

CLOSED SESSION

22. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator – Pursuant to Government Code Section 54956.8:

Anticipated Litigation: As Plaintiff and as Defendant
Property: 500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County
Parties Negotiating: Lymburn/Thompson/Malamut
City of Pleasanton
Under Negotiation: Terms and Conditions

23. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property: Portions of Parcel 65 in Sunol, Alameda County
Parties Negotiating: CCSF – Dowd/Milstein
Lessee: Mission Valley Rock/RMC Lonestar
Under Negotiation: Price and Terms

24. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property: Balboa Reservoir Property at Phelan and Ocean Avenue
Parties Negotiating: CCSF – Dowd/Kubick
San Francisco City College
Under Negotiation: Terms

25. Conference with Real Property Negotiator – Pursuant to Government Code Section 54956.8:

Property: Baker Street Pump Station
Parties Negotiating: CCSF - Dowd
Lessee: Recreation & Park and the GGNRA
Under Negotiation: Price and Terms

26. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b)(c):
(Clayton)

Anticipated Litigation: As Defendant

27. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b)(c):
(Clayton/Klein)

Anticipated Litigation: As Plaintiff
CCSF v. Hetch Hetchy Mountain Spring Water Company
(Trademark Application Serial No. 75-519694)

28. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a):
(Clayton)

Existing Litigation: Wong Revocable Trust, et al v. CCSF,
Superior Court No. 300-456

29. Conference with Legal Counsel – Pursuant to Government Code Section 54957 and San
Francisco Administrative Code Section 67.10(b):

Public Employee Appointment/ Hiring: General Manager of Public Utilities

30. Public comments on matters to be discussed in Closed Session.

31. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

THE PUBLIC UTILITIES COMMISSION WILL GO INTO CLOSED SESSION TO DISCUSS ABOVE LISTED CLOSED SESSION MATTERS.

FOLLOWING THE CLOSED SESSION, THE PUBLIC UTILITIES COMMISSION WILL RECONVENE IN PUBLIC SESSION.

32. Report on action taken appointing the General Manager of Public Utilities pursuant to Government Code Section 54957.1(a) (5) and San Francisco Administrative Code Section 67.14(b) (4).
33. Announcement following Closed Session.
34. Motion regarding whether to disclose the discussions during Closed Session.

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MINUTES

PUBLIC UTILITIES COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

REGULAR MEETING

November 9, 1999
1:30 P.M.
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras
Ben L. Hom

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Personnel and Training
System Planning Environment and Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

1. Call to Order: 1:38 P.M.
2. Roll Call: Present - President Ann Moller Caen, Vice President Frank L. Cook, Commissioner E. Dennis Normandy, Commissioner Victor G. Makras
Excused - Commissioner Ben L. Hom
3. Approval of Minutes

Moved by Commissioner Cook, seconded by Commissioner Caen, to approve the Minutes of the Regular Meeting of October 12, 1999; passed (4-0) unanimously.

4. Communications

No action was taken.

5. Introduction of Old/Ongoing Business by Commissioners

President Caen noted that the Financial Report for the First Quarter FY 1999-2000 showed that Hetch Hetchy had not billed its customers for the first quarter. She directed staff to bill customers in a timely fashion. Commissioner Makras asked when the bills would go out. Lawrence T. Klein, General Manager of Hetch Hetchy Water & Power, responded that billing is an intensive effort and they currently do not have the staff to do it. Commissioner Makras suggested sending bill estimates. Mr. Klein replied that the department had previously sent bill estimates but the Controller's Office advised them to stop that practice. Commissioner Makras suggested doing what is necessary to collect the money.

President Caen directed staff to report about the department's plans with regard to billing.

6. Introduction of New Business by Commissioners

Commissioner Normandy requested that staff write to the San Francisco Independent to correct inaccuracies in its recent article published in November 2, 1999 regarding the retirement of the PUC General Manager. It should be noted that Ann Moller Caen is the President of the Public Utilities Commission. Regarding the transfer of surplus funds from Hetch Hetchy to the General Fund, it should be made clear that PUC is not allowed to commingle funds within its operational departments.

Commissioner Makras noted that there were also several articles in the paper that talked about the Joint Powers Board sharing control over Hetch Hetchy. He asked staff whether there was an official PUC position on this matter. Mr. Moran stated that the

issue had been informally discussed at staff level as an option for funding the capital program but it had not been brought up as a serious proposal. He noted that there is no position taken on finding mechanisms to fund our capital program outside the existing contractual relationship with suburban customers. Commissioner Makras requested that staff alert the Commission of anything that comes up on this issue.

Commissioner Normandy referred to a news article about PUC pushing a huge sewage expansion in the Bayview area. He asked staff to convey the facts to appropriate parties that the Commission had been very sensitive with the concerns of the Bayview Hunters Point community and that the proposed egg-shaped digesters were proposed to replace the old digesters to improve the odor situation in the area. President Caen directed staff to write to the editor of the newspaper to convey our concerns.

7. Report of the General Manager

Agenda Format

Mr. Moran reported that the format of the agenda was revised in a way that issues to be presented to the Commission were stated broadly to allow flexibility for discussion and a staff recommendation is listed below each item.

Electric System Reliability

Mr. Klein reported that Hunters Point Power Plant Unit No. #4 still remained out of service to date. Hunters Point Units No. 2 and 3 would be taken out of service for maintenance from November 10 to November 15, 1999.

As directed by the Commission at the previous meeting, Mr. Klein stated that staff wrote to the California Independent System Operator (ISO) to express the department's concerns about the way PG&E handled the voluntary curtailment request on October 21, 1999. Hetch Hetchy staff met with the ISO, PG&E and the Office of Emergency Services (OES) and concluded that the OES would be the central focus for emergency response. Lucien Canton of the Office of emergency Services wrote to all departments urging them to work with PUC regarding the development of an energy emergency response program.

Mr. Klein stated that staff held a second meeting with PG&E and ISO to discuss recovery strategies for the Unit No. 4 outage. PG&E is working on restoring Unit 4, upgrading a transmission line and completing maintenance work on Units 2 and 3. Staff would continue to meet with this group on these issues.

Commissioner Makras remarked that we should put more pressure on PG&E to address the problems quickly and staff should advise the Commission what needs to be done to prevent a blackout in the City.

Commission Meeting Dates

Mr. Moran recommended the cancellation of the second meeting in December and shifting the regular meetings in January 2000 to the first and third Tuesdays. The January 4, 1999 meeting would be held at 1155 Market Street since there are no rooms available in City Hall and the rest will be held in City Hall. He suggested that the Commission also meet on the second and fourth Tuesdays in January to discuss the budget for FY 2000-2001.

8. Public comments on matters that are not on today's agenda.

There was none.

REGULAR

9. Discussion of contracting issues.

Mr. Moran noted that he submitted a memorandum to the Commission addressing several contracting issues that were raised at the last PUC meeting such as rejecting bids and awarding contracts. Mr. Moran summarized the key points in the memorandum.

Mr. Moran explained that we retain the right to reject bids so that the Commission will not be obliged to award a contract that would not be in the best interest of the City. Rejecting bids also does not create a prejudice or legal challenge. He said that on the issue of being sensitive to firms who spent time and money to submit a bid, we have no obligation by law to award and that would be a bad obligation to accept.

Regarding contract award, Mr. Moran pointed out that decision making in the award of a contract is intended to be progressive and he would reinforce to staff that the award process and the terms of the contract should be decided as part of the RFP process.

Mr. Moran stated that awarding to all qualified bidders makes sense in some situations. He pointed out that the selection process is predicated on the competitive process and through that competitive process we encourage firms to put their best teams and best efforts forward. He was concerned that without the competitive process, there would be no incentive for the firms to put forth their best resources, as they would assume they would get the business anyway.

10. Discussion of Housing Policy.

Moved by Commissioner Makras, seconded by Commissioner Normandy, to continue Item 10 to the next regular Commission meeting scheduled on November 23, 1999; passed (4-0) unanimously.

11. To consider a grant from the United States Environmental Protection Agency to implement decentralized waste and storm water treatment technologies.

Moved by Commissioner Makras, seconded by Commissioner Cook to adopt the following resolution; passed (4-0) unanimously.

Resolution No. 99-0282: Authorize the General Manager of Public Utilities to apply for, accept and expend a grant of up to \$250,000 from the United States Environmental Protection Agency to study opportunities for implementing decentralized waste and storm water treatment technologies.

12. To consider providing credit and debit card services as modes of payment for water and sewer bills.

John Mullane, Manager of Customer Service Bureau, stated that staff was requesting authority to utilize the existing Citywide contract administered by the Treasurer's Office to allow the use of credit and debit cards for payment of water and sewer bills. Using these modes of payment, benefits PUC through increased collection rates, improved payment processing, and increase in interest income. However, there are discount costs associated with the use of credit and debit cards, which is 1.71% for credit cards and 1.21% for debit cards. Mr. Mullane stated that the Treasurer's Office had agreed to pay for the total discount cost for the first year of the program.

President Caen suggested adding another whereas clause to the resolution to read, "Whereas the Treasurer's Office will absorb all discount costs for at least one year."

Moved by Commissioner Normandy, seconded by Commissioner Makras to adopt the resolution as amended; passed (4-0) unanimously.

Resolution No. 99-0283: Request the Treasurer's Office to amend an existing contract with the Bank of America to allow the use of credit and debit cards for the payment of water and sewer bills by its customers.

13. Report on activities and accomplishments in relation to staff training and development of procedures manuals.

Frank Kakula, Senior Stationary Engineer at Harry Tracy Water Treatment Plant, reported on the activities of the Productivity Task Force with regard to staff training and development of procedures manuals. The Task Force was working on improving the training program and development of procedures manuals, which were areas the department had determined were inadequate based on a survey developed by the Task Force.

Mr. Kakula reported that they are planning to make the existing procedures for treatment operations available in CD-ROM format, hard copies, and on the PUC Intranet site. They will also continue to develop new procedures as needed.

To improve staff training, Mr. Kakula stated that they offered training in operation of water transmission systems, treatment operations, and hazardous materials to treatment operators and other employees as well. They are planning to provide ongoing training in water treatment transmission system operation and preventive maintenance operations to ensure water quality reliability. He stated that they are in the final stage of putting up a training center at Harry Tracy Water Treatment Plant.

The meeting was recessed from 2:47 P.M. to 2:53 P.M.

CONSTRUCTION CONTRACTS

Commissioner Makras was excused from 2:53 P.M. to 3:00 P.M.

Item 14 was deferred until after the Closed Session.

Award

Commissioner Normandy moved, Commissioner Cook seconded to adopt Items 15, 16, 17 and 18; passed (3-0) unanimously.

15. Resolution No. 99-0285: Award Clean Water Program Contract No. CW-226, Fulton and Vicente Pump Stations Abandonment, to Millard Tong Construction, in the amount of \$174,000.
16. Resolution No. 99-0286: Award Water Department Contract No. WD-2214, 8-inch Ductile Iron Mail Installation in Broadway, between Pierce Street and Steiner Street, and between Fillmore Street and Van Ness Avenue, in the amount of \$812,750 to the lowest responsive and responsible bidder, P & J Utility Company.
17. Resolution No. 99-0287: Award Water Department Contract No. WD-2261, 8-Inch Ductile Iron Main Installation in California Street from Fillmore Street to Van Ness Avenue, in the amount of \$652,040 to the lowest responsible and responsive bidder, D'Arcy & Harty Construction, Inc.

18. Resolution No. 99-0288: Declare the bid submitted by the low bidder, Saliba Corporation as non-responsive; and award Water Department Contract No. WD-2276, 6-Inch and 8-Inch Ductile Iron Main Installation in Brannan Street between Delancey and Third Streets; in Second Street between Townsend and Harrison Streets; in Taber Place and in South Park Avenue between Second and Third Streets in the amount of \$980,150 to Shaw Pipeline, Inc.

PROFESSIONAL SERVICE CONTRACTS

Award

19. To consider Consultant Contract No. CS-525, Group A, to provide specialized engineering services.

Commissioner Normandy asked what the limitations were on the Request for Proposal to divvy up the contract among the bidders. Phil dela Cruz, Project Manager, stated that the RFP stated that the contract will be awarded to the seven top ranking firms. The top 3 firms will be awarded \$800,000 each and the succeeding four will be awarded \$400,000. President Caen suggested that in future presentations, staff should review the RFP prior to the meeting.

Moved by Commissioner Cook, seconded by President Caen, to adopt the following resolution; passed (3-0) unanimously.

Resolution No. 99-0289: Negotiate with the following ten (10) Consultant teams in the order of their rank, as follows, to provide Group A services: Olivia Chen Consultants; Manna Consultants; Kennedy Jenks/SJ Engineering; CH2M Hill/Ocampo Esta; SOHA/Telamon; Harza; Tetra Tech; Structural Design Engineers; FE Jordan; and CTS/HLA; execute agreements with the seven highest ranked consultants from Group A who will arrive at an agreement with the City within the allocated four (4) weeks specified in the RFP; and to continue negotiations with teams 8, 9, and 10; authorize award to the top three successful Group A firms an amount of \$800,000 each and the remaining four firms an amount of \$400,000 each, for the sum total of \$4,000,000.

Item 20 was deferred until after Closed Session.

Amend

21. To consider Project No. CS-521, Engineering Services for City Distribution Capital Project, Engineering Consultant Services (Pool).

Moved by Commissioner Normandy, seconded by Commissioner Cook, to adopt the following resolution; passed (3-0) unanimously.

Resolution No. 99-0291: Approve task orders for the four consultant teams who have signed agreements for Project No. CS-521, Engineering Services for City Distribution Capital Project, Engineering Consultant Services.

CLOSED SESSION

22. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator – Pursuant to Government Code Section 54956.8:

Anticipated Litigation:	As Plaintiff and as Defendant
Property:	500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County
Parties Negotiating:	Lymburn/Thompson/Malamut
City of Pleasanton	
Under Negotiation:	Terms and Conditions

No action was taken.

23. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property:	Portions of Parcel 65 in Sunol, Alameda County
Parties Negotiating:	CCSF – Dowd/Milstein
Lessee:	Mission Valley Rock/RMC Lonestar
Under Negotiation:	Price and Terms

No action was taken.

24. Conference with Real Property Negotiator - Pursuant to Government Code Section 54956.8:

Property: Balboa Reservoir Property at Phelan and Ocean Avenue
Parties Negotiating: CCSF – Dowd/Kubick
San Francisco City College
Under Negotiation: Terms

No action was taken.

25. Conference with Real Property Negotiator – Pursuant to Government Code Section 54956.8:

Property: Baker Street Pump Station
Parties Negotiating: CCSF – Dowd
Lessee: Recreation & Park and the GGNRA
Under Negotiation: Price and Terms

No action was taken.

26. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b)(c):

Anticipated Litigation: As Defendant

No action was taken.

27. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b)(c):

Anticipated Litigation: As Plaintiff
CCSF v. Hetch Hetchy Mountain Spring Water Company
(Trademark Application Serial No. 75-519694)

No action was taken.

28. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a):

Existing Litigation: Wong Revocable Trust, et al v. CCSF,
Superior Court No. 300-456

Moved by Commissioner Makras, seconded by Commissioner Normandy, to adopt the following resolution; passed (4-0) unanimously.

Resolution No. 99-0292: Recommending a settlement in the claim of Wong Revocable Trust, et al v. CCSF, Superior Court No. 300-456.

29. Public Employee Appointment/ Hiring – Pursuant to Government Code Section 54957 and San Francisco Administrative Code Section 67.10(b):

Position: General Manager of Public Utilities

30. Public Comments on matters to be discussed in Closed Session.

There was none.

31. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

Moved by Commissioner Normandy, seconded by Commissioner Cook, to assert the attorney-client privilege; passed (3-0) unanimously.

The Public Utilities Commission met in Closed Session at 3:01 P.M. to discuss the above listed Closed Session items.

The Commission reconvened in open session at 5:55 P.M.

32. Report on action taken appointing the General Manager of Public Utilities pursuant to Government Code Section 54957.1(a) (5) and San Francisco Administrative Code Section 67.14(b) (4).

There was no report.

33. Announcement following Closed Session.

President Caen announced the actions taken during the Closed Session.

34. Motion regarding whether to disclose the discussions during Closed Session.

Moved by Commissioner Cook, seconded by Commissioner Normandy, not to disclose the discussion during the Closed Session; passed (4-0) unanimously.

CONSTRUCTION CONTRACTS

Advertise

14. To consider San Francisco Water Department Contract No. WD-2184. (Continued from the meeting of October 26, 1999.)

Mike Silva, a principal of Mitchell Engineering, urged the Commission to vote against staff's recommendation and award the contract to Mitchell Engineering. Kurt Mitchell,

also a principal at Mitchell Engineering, testified that the principals of Mitchell Engineering met the qualifications and experience requirements of the contract.

Commissioner Makras stated that he had reviewed all of the materials on this item and considered the testimony given.

Moved by Commissioner Makras, seconded by Commissioner Normandy to award the contract to the lowest responsive and responsible bidder, Mitchell Engineering; passed (4-0) unanimously.

Resolution No. 99-0284: Award San Francisco Water Department Contract No. WD-2184 to Mitchell Engineering, Inc.

PROFESSIONAL SERVICE CONTRACTS

20. To consider Consultant Contract No. CS-525, Group B, to provide construction management services. (Continued from the meeting of October 26, 1999.)

Ismael Pugeda, President of Cooper Pugeda Management Inc., commented on behalf of Brown & Caldwell, urging the Commission to vote against staff's recommendation to negotiate with four consultant teams.

Commissioner Normandy commented that considering the teams were unaware of certain conflicts of interest at the time of issuance of the RFP, he would move to reject all bids and rebid the contract.

Moved by Commissioner Normandy, seconded by Commissioner Cook, to adopt the following resolution; passed (4-0) unanimously.

Resolution No. 99-0290: Re-advertise and request new proposals for Group B (Construction Management Services) through the revision of Contract CS-525, and to interview, select and recommend up to three separate agreements to provide construction management services in the amounts shown in the RFP, each for a period of twenty-four months, with a total spending authority of \$2,000,000.

Thereupon, the meeting was adjourned: 5:58 P.M.

Romaine A. Boldridge
Secretary

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1/23/99

AGENDA

PUBLIC UTILITIES COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

REGULAR MEETING

November 23, 1999
1:30 P.M.
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

DOCUMENTS DEPT

COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras
Ben L. Hom

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 City Distribution Division
 Water Supply & Treatment
Hetch Hetchy Water & Power
Clean Water Program
 Water Pollution Control

BUREAUS

Commercial Land Management
Customer Service
Finance
Management Information Systems
Personnel and Training
System Planning Environment and Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

Disability Access

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Know your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code)

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils, and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at (415) 554-4851.

San Francisco Lobbyist Ordinance

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance [SF Admin Code §16.520-16.534] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 1390 Market Street #801, San Francisco, CA 94102, telephone (415) 554-9510, fax (415) 703-0121 and web site <http://www.ci.sf.ca.us/ethics/>.

ORDER OF BUSINESS:

1. Call to Order
2. Roll Call
3. Approval of Minutes
4. Communications
5. Introduction of Old/Ongoing Business by Commissioners
6. Introduction of New Business by Commissioners
7. Report of the General Manager
8. Public Comments

Members of the public may address the Commission on matters that are within the Commission's jurisdiction and are not on today's agenda.

THE FOLLOWING MATTERS BEFORE THE PUBLIC UTILITIES COMMISSION ARE RECOMMENDED FOR ACTION AS STATED, BY THE GENERAL MANAGER OF PUBLIC UTILITIES, AND CITY ATTORNEY WHERE APPLICABLE.

REGULAR BUSINESS

9. Discussion of Moccasin Housing Policy. 7 mins. (Klein)
10. Discussion of Watershed Keeper Housing Policy. 5 mins. (Davis)
11. Presentation on Water Supply Master Plan. 8 mins. (Williams)

12. Discussion and possible action related to the supplemental appropriation request to fund remedial activities on PUC property located near the west end of the Dumbarton Bridge near the community of East Palo Alto. (Hickman)

Staff Recommendation: Request the Mayor to recommend to the Board of Supervisors a supplemental appropriation request for \$600,000 to fund remedial actions to meet regulatory requirements.

13. Discussion and possible action related to the sale of water efficient toilets. (Mullane)

Staff Recommendation: Authorize sale of water efficient toilets to childcare centers for \$10 each.

14. Discussion and possible action related to an emergency sewer condition on Filbert Street from Van Ness Avenue to Franklin Street and Rose Street from Gough Street to Market Street. (Quan)

Staff Recommendation: Ratify the Declaration of Emergency made by the President of the Public Utilities Commission; and request the Board of Supervisors to approve the expenditure of funds for emergency sewer work

LEASES AND PERMITS

15. Discussion and possible action related to the lease of 14,414 square feet of SFPUC land located on Bay Division Pipeline No. 1 and 2 right of way, Parcel 2006 in Menlo Park. (Dowd)

Staff Recommendation: Approve a five-year lease with Gachina Landscape Management for parking and storage of landscape equipment and materials for an annual rental rate of \$13,491.50.

16. Discussion and possible action related to the lease of 11,600 square feet of SFPUC land located on Bay Division Pipelines No. 3 and 4 right of way, Parcel 232A in Los Altos. (Dowd)

Staff Recommendation: Approve a lease with RJS & Associates for construction of a garage located on an adjacent property for a monthly rental rate of \$2,784.

CONSTRUCTION CONTRACTS

Avertise

17. Discussion and possible action related to Clean Water Program Contract No. CW-204, Southeast Water Pollution Control Plant – Building 062 Improvements. (Continued from the meeting of October 26, 1999.) (Quan)

Staff Recommendation: Reject bids submitted and authorize re-advertisement under Contract No. CW-204R.

Award

18. Discussion and possible action related to the award of Clean Water Program Contract No. CW-212, Post/Grove/Potomac Streets Sewer Replacement. (Quan)

Staff Recommendation: Award the contract to the lowest responsive and responsible bidder, J. Flores Construction Company, for \$273,876.

PROFESSIONAL SERVICE CONTRACTS

Award

19. Discussion and possible action related to the award of legislative and advocacy services contract. (Carlin)

Staff Recommendation: Award the contract to Hooper, Owen, Gould & Winburn for one year with three one-year renewals based on annual performance review by the General Manager of Public Utilities for an annual contract amount not to exceed \$300,000.

Amend

20. Discussion and possible action related to the personal services contract with Bruce Lymburn for work on the Bernal Property in Alameda County and other projects. (Dowd)

Staff Recommendation: Increase the contract amount from \$1,000,000 to \$1,195,500 and extend the term of the contract to December 31, 2000.

CLOSED SESSION

21. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator – Pursuant to Government Code Section 54956.8 and Administrative Code Section 67.8:

Anticipated Litigation:	As Plaintiff and as Defendant
Property:	500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County
Parties Negotiating:	Lymburn/Thompson/Malamut
	City of Pleasanton
Under Negotiation:	Terms and Conditions

.22. Conference with Negotiator – Collective Bargaining – Pursuant to Government Code Section 54957.6 (a) and Administrative Code Section 67.8:

Negotiator:	Alice Villagomez
Organization:	Unions - All
Issues:	All

23. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a) and Administrative Code Section 67.8:
(Clayton)

Existing Litigation: Homer J. Olsen, Inc. v. CCSF, et.al., Superior Court No. 307630.

24. Public Employee Appointment/Hiring - Pursuant to Government Code Section 54957 and San Francisco Administrative Code Section 67.10(b):

Position: General Manager of Public Utilities

25. Public comments on matters to be discussed in Closed Session.

26. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

THE PUBLIC UTILITIES COMMISSION WILL GO INTO CLOSED SESSION TO DISCUSS ABOVE LISTED CLOSED SESSION MATTERS.

FOLLOWING THE CLOSED SESSION, THE PUBLIC UTILITIES COMMISSION WILL RECONVENE IN PUBLIC SESSION.

27. Announcement following Closed Session.

28. Motion regarding whether to disclose the discussions during Closed Session.

ADJOURNMENT

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MINUTES

PUBLIC UTILITIES COMMISSION CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

REGULAR MEETING

November 23, 1999
1:30 P.M.
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras

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Hetch Hetchy Water & Power
Clean Water Program
 Water Pollution Control

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Customer Service
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Management Information Systems
Personnel and Training
System Planning Environment and Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

1. Call to order: 1:32 P.M.
2. Roll Call: Present - President Ann Moller Caen, Vice President Frank L. Cook, Commissioner E. Dennis Normandy
Commissioner Victor G. Makras arrived at 2:45 P.M.

Romaine A. Boldridge, Commission Secretary, announced that Commissioner Ben L. Hom submitted a letter of resignation effective November 17, 1999.

3. Approval of Minutes

Moved by Commissioner Cook, seconded by Commissioner Normandy, to approve the minutes for the following PUC meetings: Regular Meeting of September 14, 1999; Regular Meeting of October 26, 1999; Special Meeting of October 26, 1999; and Regular Meeting of November 9, 1999; passed (3-0) unanimously.

4. Communications

Commissioner Normandy commented on the article published in the San Francisco Examiner concerning the Commission's intent to lease a storefront in Chinatown to serve as a service center for paying PG&E and Water Department bills. He stated that given the evolving circumstances and since the lease had not been signed, he suggested delaying the lease of the space until the issue is resolved. He said that despite the unfortunate circumstances of the situation, the Commission ought not to be dissuaded from its continuing thrust to make sure that its customers are provided better service and if not in the same building, we should be looking at other buildings not only in Chinatown but in other neighborhoods in the City.

Commissioner Normandy remarked that our country is built on social contracts and within the context of this social contract, the Public Utilities Commission, as a deliberative body, expects that it will be provided with complete facts. He stated that the Commission takes the time and trouble to digest what is presented to us, make judgments based on that information to exercise due diligence. He pointed out that if there was deceit or withholding of information to the Commission and the Commission made a mistake in its judgment, the shame is not on this Commission, but on the heads of those who deceived them.

Anson B. Moran, General Manager of Public Utilities, noted that staff had ceased negotiation on the property some time ago due to issues of unreinforced masonry. He said that the City has a policy not to lease space in those types of buildings.

5. Introduction of Old/Ongoing Business by Commissioners

There was no action taken.

6. Introduction of New Business by Commissioners

Commissioner Normandy announced that Timothy Dayonot is resigning from his position as Government & Public Affairs Manager. Mr. Dayonot was appointed by Governor Gray Davis to head the State of California Department of Community Services and Development. Commissioner Normandy congratulated Mr. Dayonot and thanked him for the many years of invaluable service to PUC and for doing a marvelous job in setting up the PUC's communications plans.

7. Report of the General Manager

Anson B. Moran, General Manager of Public Utilities, announced the passing of Tony Leone, an advocate for the rights of people infected with the HIV virus. Mr. Leone was active in supporting Propositions A & B and in dealing with the grazing leases in the East Bay.

Mr. Moran reported that at a meeting of the Commission on the Environment a week ago, PUC was presented with a resolution from the Board of Supervisors commending PUC for its successful implementation of the Integrated Pest Management Ordinance. Mr. Moran introduced the members of staff who were behind the success of the program: Robert Hickman and Robin Breuer from the Bureau of System Planning Environment and Compliance; Guido Ciardi and Bill del Carlo from the Water Supply & Treatment Division; and Norman Rickson and Phil Arcuri from Hetch Hetchy Water & Power. Mr. Moran noted that the group developed a nice tour in the Peninsula watershed to help one understand what the program is all about.

Mr. Moran showed a videotape of a television presentation showing a reporter accompanying a Sewer Operations walking crew on a sewer inspection. Tom Franzia of the Bureau of Water Pollution Control introduced the crew: Ray Mattias, Apollo Rojas and Gene Chruszcz.

8. Public comments on matters not on today's agenda.

Jane Nurre, Vice Chair and Secretary of the Citizens Advisory Committee (CAC) on Wastewater Management, inquired when the report regarding the role of the CAC would be scheduled on the agenda. She expressed concerns that this matter had been put over by the Commission for a long time. Mr. Moran responded that it would be scheduled for the next PUC meeting. Commissioner Normandy commented that the integration of the Clean Water Program into the PUC was not easy and it had been a continuing task. He stated that it is difficult to define an interface between PUC and the CAC without diminishing responsibilities or liabilities of each of the two groups. He urged the CAC to be patient as the PUC tackles an extremely difficult task of integrating the two departments. Commissioner Cook noted that if the Commission was not acting on this matter it was not a case of being disrespectful and unwilling to cooperate but that the Commission is currently faced with a lot of issues

including the retirement of the General Manager. Ms. Nurre stated that she would like to form a new group involving other individuals or groups who have particular interest in the Clean Water Program.

REGULAR

Items 9 and 10 were deferred until after closed session.

11. Presentation on Water Supply Master Plan.

Mary Williams, Project Manager, gave a presentation regarding the Water Supply Master Plan using electronic slides.

Ms. Williams reported that a survey of SFPUC customers conducted by the Water Supply Master Plan Steering Committee indicated that SFPUC customers would need additional water supplies of 306 million gallons a day (mgd) by year 2030 or 310 mgds by year 2050. Customers are also looking for high reliability and high quality water supply. Ms. Williams stated that the existing delivery capability of the PUC system is 239 mgds. We need to acquire 71 million gallons per day in new water supplies on a firm basis year in and year out. The Committee proposed water resource strategies to address these needs. They were: to find additional water supply from the Tuolumne River, and the San Joaquin River-Sacramento River Delta; to recover water from Alameda Creek; and to pursue local projects such as groundwater partnerships with suburban customers and the Tri-Cities Project. The Committee also proposed water supply reliability improvements such as strengthening the San Joaquin pipelines, restoring the treatment capacity of the Sunol Valley and Harry Tracy Water Treatment Plants, and enlarging the capacity of Irvington Tunnel and Bay Division Pipelines. The total cost of capital improvements is \$150 million for water supply improvements and \$925 million for supply and seismic reliability improvements.

Ms. Williams noted that several concerns were raised regarding the implementation of these strategies. PUC needs assurance from customers that there will be subscribers to the new water supply and that the cost of developing the new supply would be fully recovered. Customers are concerned over secure and firm water supply and paying fair and predictable costs for that supply. She stated that the Steering Committee was exploring a water pricing strategy that would consider these concerns and they recommended an incremental pricing strategy where the reliable basis supply, e.g. 71 mgd has a certain price and any increases above that in new supply would be ordered by subscription and would have a second tier price. Ms. Williams stated that a tiered pricing strategy encourages local supply options for San Francisco to keep the cost down and it reduces water needs but it would discourage new subscribers due to higher incremental price.

Ms. Williams reported that the Steering Committee would be finalizing the proposed recommendations in January 2000. Final reports would be presented to the PUC in April 2000.

Mr. Moran pointed out that \$1 billion was already identified in the CIP budget. Regarding the pricing issue, he commented that the City has a contract with suburban customers that new water supply would be paid for by all users on an equal basis. He said that a tiered pricing arrangement would be a deviation from the contract.

Emeric Kalman inquired about the status of the Recycled Water Project and the Groundwater Reclamation Project, which were not addressed in staff's report. He commented that the cost of producing recycled water is 3 or 4 times the cost of delivering clean drinking water from Hetch Hetchy. He noted that the water level at Lake Merced has gone down by 50%.

12. Discussion and possible action related to the supplemental appropriation request to fund remedial activities on PUC property (Peninsula Sportsmen's Club) site located near the west end of the Dumbarton Bridge near the community of East Palo Alto.

Steve Medbery, Manager of the Bureau of System Planning and Environment, suggested some changes to the agenda item and the resolution. He suggested that in the first page of the agenda item, third paragraph, last sentence the word "disposal" should be replaced to "stock piling" so that the sentence would read: "The initial cost of excavating and stock piling is estimated at \$45,000. He also suggested revising the third whereas clause to add that Order 94-031 is expected to be reissued.

Moved by Commissioner Normandy, seconded by Commissioner Cook, to adopt the following resolution; passed (3-0) unanimously.

Resolution No. 99-0293: Request the Mayor to recommend to the Board of Supervisors a supplemental appropriation request for \$600,000 to fund remedial actions to meet regulatory requirements.

13. Discussion and possible action related to the sale of water efficient toilets.

Moved by Commissioner Cook, seconded by Commissioner Normandy, to adopt the following resolution; passed (3-0) unanimously.

Resolution No. 99-0294: Authorize sale of water efficient toilets to childcare centers for \$10 each.

14. Discussion and possible action related to an emergency sewer condition on Filbert Street from Van Ness Avenue to Franklin Street and Rose Street from Gough Street to Market Street.

Moved by Commissioner Cook, seconded by Commissioner Normandy, to adopt the following resolution; passed (3-0) unanimously.

Resolution No. 99-0295: Ratify the Declaration of Emergency made by the President of the Public Utilities Commission; and request the Board of Supervisors to approve the expenditure of funds for emergency sewer work.

LEASES AND PERMITS

15. Discussion and possible action related to the lease of 14,414 square feet of SFPUC land located on Bay Division Pipeline No. 1 and 2 right of way, Parcel 2006 in Menlo Park.

Commissioner Cook asked about the difference in the rent value for Items 15 and 16. Gary Dowd, Manager, Bureau of Commercial Land Management, stated that staff had used comparable market data within the vicinity of the properties to determine the appropriate rental rate.

Moved by Commissioner Cook, seconded by Commissioner Normandy, to adopt the following resolution; passed (3-0) unanimously.

Resolution No. 99-0296: Approve a five-year lease with Gachina Landscape Management for parking and storage of landscape equipment and materials for an annual rental rate of \$13,491.50.

16. Discussion and possible action related to the lease of 11,600 square feet of SFPUC land located on Bay Division Pipelines No. 3 and 4 right of way, Parcel 232A in Los Altos.

Moved by Commissioner Cook, seconded by Commissioner Normandy, to adopt the following resolution; passed (3-0) unanimously.

Resolution No. 99-0297: Approve a lease with RJS & Associates for construction of a garage located on an adjacent property for a monthly rental rate of \$2,784.

CONSTRUCTION CONTRACTS

Item 17 was deferred until after Closed Session.

Award

18. Discussion and possible action related to the award of Clean Water Program Contract No. CW-212, Post/Grove/Potomac Streets Sewer Replacement.

Moved by Commissioner Cook, seconded by Commissioner Normandy, to adopt the following resolution; passed (3-0) unanimously.

Resolution No. 99-0298: Award Clean Water Program Contract CW-212 to the lowest responsive and responsible bidder, J. Flores Construction Company, for \$273,876.

PROFESSIONAL SERVICE CONTRACTS

Award

19. Discussion and possible action related to the award of legislative and advocacy services contract.

Michael Carlin from the Bureau of System Planning Environment & Compliance noted that only one proposal received was received for this contract. He stated that the bidder was responsive and had met subcontracting goals. He noted that they did not get as many bidders due to conflict of interest for federal representation as many firms that were reached already represent other municipalities.

Mr. Moran indicated that staff was conferring with the Human Rights Commission staff to look at the bid specifications and check whether there are aspects in the contract that deter firms from bidding. They are looking at possibly modifying the RFP to receive a more diverse response.

Moved by President Caen, seconded by Commissioner Normandy, to extend the contract for six months while the contract is being processed for rebidding; passed (3-0) unanimously.

Resolution No. 99-0299: Extend the contract with Hooper, Owen, Gould & Winburn for six months.

Item 20 was deferred until after Closed Session.

CLOSED SESSION

21. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator – Pursuant to Government Code Section 54956.8 and Administrative Code Section 67.8:

Anticipated Litigation: As Plaintiff and as Defendant
Property: 500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County
Parties Negotiating: Lymburn/Thompson/Malamut
City of Pleasanton
Under Negotiation: Terms and Conditions

No action was taken.

22. Conference with Negotiator – Collective Bargaining – Pursuant to Government Code Section 54957.6 (a) and Administrative Code Section 67.8:

Negotiator: Alice Villagomez
Organization: Unions – All
Issues: All

No action was taken.

23. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a) and Administrative Code Section 67.8:

Existing Litigation: Homer J. Olsen, Inc. v. CCSF, et.al., Superior Court No. 307630.

No action was taken.

24. Public Employee Appointment/Hiring - Pursuant to Government Code Section 54957 and San Francisco Administrative Code Section 67.10(b):

Position: General Manager of Public Utilities

No action was taken.

25. Public comments on matters to be discussed in Closed Session.

There was none.

26. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

Moved by Commissioner Normandy, seconded by Commissioner Cook, to assert the attorney-client privilege; passed (3-0) unanimously.

The Public Utilities Commission met in Closed Session at 2:40 P.M. to discuss the above listed Closed Session items.

Commissioner Makras arrived at 2:45 P.M.

President Caen was excused at 5:10 P.M.

At 5:12 P.M., the Commission reconvened in open session. Vice President Cook presided.

27. Announcement following Closed Session.

Vice President Cook announced that no action was taken during Closed Session.

28. Motion regarding whether to disclose the discussions during Closed Session.

Moved by Commissioner Normandy, seconded by Commissioner Makras, not to disclose the discussion during the Closed Session; passed (3-0) unanimously.

The Commission resumed discussion of the remaining items on the Regular Agenda.

REGULAR

Moved by Commissioner Normandy, seconded by Commissioner Makras to continue the following items 9 and 10 to the call of the Chair; passed (3-0) unanimously.

9. Discussion of Moccasin Housing Policy.

10. Discussion of Watershed Keeper Housing Policy.

CONSTRUCTION CONTRACTS

Advertise

17. Discussion and possible action related to Clean Water Program Contract No. CW-204. (Continued from the meeting of October 26, 1999.)

Dale Manwiller of Schram Construction expressed concerns that there were five City contracts that were advertised for bid but were not awarded. He stated that there

were two instances where their company was the lowest bidder but the contracts were not awarded to them.

William McInerney, representing Homer J. Olsen, opposed staff's recommendation to rebid the contract. He stated that Homer J. Olsen was the lowest responsible and responsive bidder for this contract and the contract should be awarded to them.

Commissioner Makras commented that he had reviewed the materials closely and he would recommend rejecting all bids and rebidding the contract due to the substantial differential between the engineer's estimate and the bids that were received.

Commissioner Normandy seconded the motion based on the same reason stated.

Commissioner Makras stated that the bid process and all documents that the Commission released for this Request for Bids empower the Commission to have absolute right to reject all bids. He said that everyone that participated in the process knows that he is very conscious of constitutional rights but the City has a bid process that gives the Commission absolute right to rebid a contract for the best interest of the City.

Moved by Commissioner Makras, seconded by Commissioner Normandy, to adopt the following resolution; passed (3-0) unanimously.

Resolution No. 99-0300: Rebid Clean Water Program Contract No. CW-204R, Southeast Water Pollution Control Plant – Building 062 Improvements.

PROFESSIONAL SERVICE CONTRACTS

Amend

20. Discussion and possible action related to the personal services contract with Bruce Lymburn for work on the Bernal Property in Alameda County and other projects.

Moved by Commissioner Normandy, seconded by Commissioner Makras, to amend the resolution and extend the contract to June 30, 2000; passed (3-0) unanimously.

Resolution No. 99-0301: Increase the contract amount from \$1,000,000 to \$1,195,500 and extend the term of the contract to June 30, 2000.

Thereupon, the meeting was adjourned: 5:27 P.M.

Romaine A. Boldridge
Secretary

AGENDA

PUBLIC UTILITIES COMMISSION CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

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SPECIAL MEETING

(November 23, 1999)

Immediately following the 1:30 P.M. Regular Meeting

City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras
Ben L. Hom

DEPARTMENTS

Water Department
 City Distribution Division
 Water Supply & Treatment
Hetch Hetchy Water & Power
Clean Water Program
 Water Pollution Control

BUREAUS

Commercial Land Management
Customer Service
Finance
Management Information Systems
Personnel and Training
System Planning Environment and Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

Disability Access

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ORDER OF BUSINESS:

1. Call to Order
2. Roll Call

THE FOLLOWING MATTERS BEFORE THE PUBLIC UTILITIES COMMISSION ARE RECOMMENDED FOR ACTION AS STATED, BY THE GENERAL MANAGER OF PUBLIC UTILITIES, AND CITY ATTORNEY WHERE APPLICABLE.

REGULAR BUSINESS

3. Discussion and possible action related to the selection panel for the Program Management Consultant. (Moran)
Staff Recommendation: Approve the individuals nominated by the General Manager to serve on the selection panel for the Program Management Consultant.

CLOSED SESSION

4. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b)(c): (Clayton/Klein)
Anticipated Litigation: As Plaintiff
CCSF v. Hetch Hetchy Mountain Spring Water Company
(Trademark Application Serial No. 75-519694)
5. Public comments on matters to be discussed in Closed Session.
6. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

THE PUBLIC UTILITIES COMMISSION WILL GO INTO CLOSED SESSION TO DISCUSS ABOVE LISTED CLOSED SESSION MATTERS.

FOLLOWING THE CLOSED SESSION, THE PUBLIC UTILITIES COMMISSION WILL RECONVENE IN PUBLIC SESSION.

7. Announcement following Closed Session.

8. Motion regarding whether to disclose the discussions during Closed Session.

ADJOURNMENT

AGENDA

PUBLIC UTILITIES COMMISSION CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.

MAYOR

SPECIAL MEETING

November 23, 1999

Immediately following the 1:30 P.M. Regular Meeting

City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras
Ben L. Hom

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Management Information Systems
Personnel and Training
System Planning Environment and Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

For information contact the Commission Secretary at 554-3165.
Agendas and other information are available on the Public Utilities Commission website: www.ci.sf.ca.us/puc

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AGENDA

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

SPECIAL MEETING

December 3, 1999
10:30 A.M.
City Hall, Room 263
1 Dr. Carlton B. Goodlett Place

COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras

DEPARTMENTS

Water Department
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Disability Access

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ORDER OF BUSINESS:

1. Call to Order
2. Roll Call

THE FOLLOWING MATTERS BEFORE THE PUBLIC UTILITIES COMMISSION ARE RECOMMENDED FOR ACTION AS STATED, BY THE GENERAL MANAGER OF PUBLIC UTILITIES, AND CITY ATTORNEY WHERE APPLICABLE.

REGULAR BUSINESS

3. Discussion and possible action related to the selection panel for the Program Management Consultant. (Moran)

Staff Recommendation: Approve the individuals nominated by the General Manager to serve on the selection panel for the Program Management Consultant.

CLOSED SESSION

4. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b)(c): (Clayton/Klein)

Anticipated Litigation: As Plaintiff
CCSF v. Hetch Hetchy Mountain Spring Water Company
(Trademark Application Serial No. 75-519694)

5. Public Employee Appointment/Hiring - Pursuant to Government Code Section 54957 and San Francisco Administrative Code Section 67.10(b):

Position: General Manager of Public Utilities

6. Public comments on matters to be discussed in Closed Session.

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7. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

THE PUBLIC UTILITIES COMMISSION WILL GO INTO CLOSED SESSION TO DISCUSS ABOVE LISTED CLOSED SESSION MATTERS.

FOLLOWING THE CLOSED SESSION, THE PUBLIC UTILITIES COMMISSION WILL RECONVENE IN PUBLIC SESSION.

8. Announcement following Closed Session.

9. Motion regarding whether to disclose the discussions during Closed Session.

ADJOURNMENT

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MINUTES

PUBLIC UTILITIES COMMISSION CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

SPECIAL MEETING

December 3, 1999
10:30 A.M.
City Hall, Room 263
1 Dr. Carlton B. Goodlett Place

COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras

DEPARTMENTS

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 Water Supply & Treatment
Hetch Hetchy Water & Power
Clean Water Program
 Water Pollution Control

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Management Information Systems
Personnel and Training
System Planning Environment and Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

1. Call to Order: 10:40 A.M.
2. Roll Call: Present - President Ann Moller Caen, Commissioner E. Dennis Normandy, and Commissioner Victor G. Makras,
Vice President Frank L. Cook arrived at 10:50 A.M.
3. Discussion and possible action related to the selection panel for the Program Management Consultant.

Mr. Moran stated that previously the Commission had established criteria for members of the Program Management Selection panel. He said that he provided the Commission with a memorandum today with individuals to serve in that capacity who meet the criteria and have signed statements of no conflict of interest.

Mr. Moran read the names into the record as follows:

Girish Balachandran, representing the Bay Area Water Users Association interests;

Andrew DeGraca, Manager of the PUC Water Quality Bureau;

Peter Nelson, President and CEO of California Water Service Company;

Johnnie Clark, a Ph.D., CPA and a financial consultant who formerly served on the Atlanta, Fulton County Water Resources Commission; and

Tony Irons, City Architect, who provides engineering experience, specifically with very complicated and sensitive projects.

Also, as non voting members, George Wong of the City Attorney's Office and Virginia Harmon representing the Human Rights Commission will be available to the panel.

President Caen suggested increasing the number of panelist from 5 to 6 to include someone with an engineering background and possibly a woman engineer. Commissioners Makras and Normandy concurred.

Commissioner Normandy suggested that the representatives from the City Attorney's Office and the Human Rights Commission should be resource persons to the panel rather than non voting members of the panel. He expressed the opinion that it would be inappropriate for them to express opinions and urge direction of the panel. Commissioner Makras concurred and said that their involvement should be limited to being a resource to the panel and to assure the integrity of the process.

Mr. Moran said that the interviews would be in January.

Commissioner Normandy moved to accept the recommendation of the General Manager regarding the five full voting members per the memo dated November 20, 1999 and distributed today; and that a sixth panel member be added with the specific criteria involving engineering skills and increasing diversity with a female; and, furthermore, that the representatives from the City Attorney's Office and the Human Rights Commission not be designated as members, Commissioner Makras seconded, the resolution, as amended, passed (3-0) unanimously.

Commissioner Makras noted that the memorandum was dated November 20, 1999. He had not received it in his packet and only received it at today's meeting. He asked whether it had been sent out with the agenda item for the public's benefit. Mr. Moran responded that the memo had not been distributed earlier so as not to put the names of the individuals in the public arena until such time as the Commission had acted. Commissioner Makras commented that the public did not have an opportunity to comment since the names were not made public. He also noted that the memo references a statement to be signed by the panelists. He expressed the opinion that when one document references another document, the referenced document should also be provided for the Commission and the public.

Commissioner Cook arrived at 10:50 P.M.

Following the Closed Session, Commissioner Normandy moved in the interest of haste, to delegate to the President of the Commission authorization to approve the General Manager's recommendation should approval be needed prior to the next meeting. Commissioner Makras seconded. The resolution as amended, passed (4-0) unanimously.

Resolution No. 99-0313: Approve five individuals nominated by the General Manager to serve on the selection panel for the Program Management Consultant; and authorize the President to approve selection of a sixth individual to be nominated by the General Manager.

CLOSED SESSION

4. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b)(c):

Anticipated Litigation: As Plaintiff
CCSF v. Hetch Hetchy Mountain Spring Water Company (Trademark Application Serial No. 75-519694)

No action was taken.

5. Public Employee Appointment/Hiring – Pursuant to Government Code Section 54957 and Administrative Code Section 67.10(b):

Position: General Manager of Public Utilities

No action was taken.

6. Public Comments on matters to be discussed in Closed Session.

There were none.

7. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

Moved by Commissioner Normandy, seconded by Commissioner Cook, to assert the attorney-client privilege; passed (4-0) unanimously.

The Public Utilities Commission met in Closed Session from 10:55 A.M. to 11:54 A.M. to discuss the above listed Closed Session items:

At 11:54, the Public Utilities Commission reconvened in open session.

8. Announcement following Closed Session.

President Caen announced that no action was taken during the Closed Session.

9. Motion regarding whether to disclose the discussions during Closed Session.

Moved by Commissioner Normandy, seconded by Commissioner Makras, not to disclose the discussion during the Closed Session; passed (5-0) unanimously.

Thereupon, the meeting was adjourned: 11:55 A.M.

Romaine A. Boldridge
Secretary

AGENDA

PUBLIC UTILITIES COMMISSION CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

REGULAR MEETING

December 14, 1999
1:30 P.M.
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

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COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras

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Hetch Hetchy Water & Power
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GENERAL MANAGER

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ORDER OF BUSINESS:

1. Call to Order
2. Roll Call
3. Approval of Minutes
4. Communications
5. Introduction of Old/Ongoing Business by Commissioners
6. Introduction of New Business by Commissioners
7. Report of the General Manager
8. Public Comments

Members of the public may address the Commission on matters that are within the Commission's jurisdiction and are not on today's agenda.

THE FOLLOWING MATTERS BEFORE THE PUBLIC UTILITIES COMMISSION ARE RECOMMENDED FOR ACTION AS STATED, BY THE GENERAL MANAGER OF PUBLIC UTILITIES, AND CITY ATTORNEY WHERE APPLICABLE.

REGULAR BUSINESS

9. Resolution commending Carolyn H. Olsen on the occasion of her retirement as Assistant General Manager, Operations. (Moran)
10. Resolution commending Timothy M. Dayonot for his service as Government and Public Affairs Manager. (Moran)
11. Discussion of the General Manager's recommendation regarding the Citizens Advisory Committee on Wastewater. (Moran)

12. Presentation on the development and implementation of a Preventive Maintenance Program in the Water Supply & Treatment Division. 7 mins. (Davis)
13. Presentation on activities and accomplishments of the PUC Dive Team. 7 mins. (Flores)
14. Discussion and possible action related to the SFPUC Housing Policy. (Olsen)

Staff Recommendation: Adopt the revised SFPUC Housing Policy; establish three classes of housing usage; establish rental rates for each class of occupant; and require residents to pay for metered utilities and other services at rates established by the General Manager of the PUC.

15. Discussion and possible action related to the repair of the San Joaquin Pipeline No. 3 in the Hetch Hetchy Aqueduct. (Klein)

Staff Recommendation: Ratify the Declaration of Emergency made by the President of the Public Utilities Commission, approve expenditure of funds for \$610,000, and request the Board of Supervisors to approve the expenditure of funds to detect and repair corrosion in San Joaquin Pipeline No. 3.

LEASES AND PERMITS

16. Discussion and possible action related to the lease of approximately 0.80 acres of PUC land located on a portion of Parcel 173 of Bay Division Pipeline Nos. 3 and right of way in Sunnyvale, California. (Dowd)

Staff Recommendation: Authorize a lease with The Irvine Company, as lessee, for parking and landscaping purposes at an initial rental rate of \$10,440.60 per year.

CONSTRUCTION CONTRACTS

Advertise

17. Discussion and possible action related to Clean Water Program Contract No. CW-205, 4th Avenue/5th Avenue/Paris Street Sewer Replacement. (Quan)

Staff Recommendation: Approve the final plans and specifications and authorize advertisement for proposals.

Award

18. Discussion and possible action related to Clean Water Program Contract No. CW-225, Sutter Street and Golden Gate/21st Avenues Sewer Replacement. (Quan)

Staff Recommendation: Approve the final plans and specifications and authorize advertisement for proposals.

Amend

19. Discussion and possible action related to San Francisco Water Department Contract No. WD-2290, Sunol Water Temple: Phase I Building Restoration. (Quan)

Staff Recommendation: Approve additional funding of \$469,000; approve contract modification No. 1 in the amount of \$384,999 and extension of contract time by 60 calendar days; approve reallocation of \$269,000 from Millbrae North Building Project, and \$200,000 from Millbrae Office – Rollins Road and Harry Tracy Water Treatment Plant/Quality and Reliability Enhancement Program Office Remodel Project.

PROFESSIONAL SERVICE CONTRACTS

Amend

20. Discussion and possible action related to Contract No. UEB Contract No. CS-502, Specialized Engineering Services. (Quan)

Staff Recommendation: Extend the contract with Harza Engineering Company to May 30, 2000 at no additional cost.

21. Discussion and possible action related to the agreement with Montgomery Watson/Ellington/Balloffet Joint Venture to prepare the Water Supply Master Plan. (Williams)

Staff Recommendation: Extend the term of the contract by five months from January 8, 2000 to June 8, 2000 at no additional cost.

22. Discussion and possible action related to the professional services agreement with Public Affairs Management, Inc. for the Watershed Management Plan project. (Dayonot)

Staff Recommendation: Extend the term of the contract by 120 days.

CLOSED SESSION

23. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator – Pursuant to Government Code Section 54956.8 and Administrative Code Section 67.8:

Anticipated Litigation: As Plaintiff and as Defendant
Property: 500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County
Parties Negotiating: Lymburn/Thompson/Malamut
City of Pleasanton
Under Negotiation: Terms and Conditions

24. Conference with Real Property Negotiator – Pursuant to Government Code Section 54956.8 and Administrative Code Section 67.8:

Property: Sunol Land Parcel 65, San Antonio Lands Parcel 62
Parties Negotiating: CCSF – Dowd/Koopman
Lessee: Mr. Shawn Mott
Under Negotiation: Potential Lease

25. Conference with Real Property Negotiator – Pursuant to Government Code Section 54956.8 and Administrative Code Section 67.8:

Property: 639 Bryant Street
Parties Negotiating: CCSF – Dowd/Klein
Grantor: Department of Parking & Traffic
Under Negotiation: Potential Sale

26. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a) and Administrative Code Section 67.8: (Clayton)

Existing Litigation: Tempco Disaster Services, Claim No. 98W0023-10/00-00127

27. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a) and Administrative Code Section 67.8: (Clayton)

Existing Litigation: Ng Chun Kwong, Claim No. 98W0023-2/99-00835

28. Conference with Negotiator – Collective Bargaining – Pursuant to Government Code Section 54957.6 (a) and Administrative Code Section 67.8:

Negotiator: Alice Villagomez
Organization: Unions - All
Issues: All

29. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b)(c) and Administrative Code Section 67.8: (Clayton/Klein)

Anticipated Litigation: As Plaintiff
CCSF v. Hetch Hetchy Mountain Spring Water Company
(Trademark Application Serial No. 75-519694)

30. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a) and Administrative Code Section 67.8: (Clayton)

Existing Litigation: Bay Delta Hearings before the State Water Resources Resources Control Board.

31. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a) and Administrative Code Section 67.8: (Mueller)

Anticipated Litigation: As Plaintiff

32. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a) and Administrative Code Section 67.8: (Milstein)

Anticipated Litigation: As Defendant
Regarding Local Watershed Fishery Issues

33. Public comments on matters to be discussed in Closed Session.

34. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

THE PUBLIC UTILITIES COMMISSION WILL GO INTO CLOSED SESSION TO DISCUSS ABOVE LISTED CLOSED SESSION MATTERS.

FOLLOWING THE CLOSED SESSION, THE PUBLIC UTILITIES COMMISSION WILL RECONVENE IN PUBLIC SESSION.

35. Announcement following Closed Session.

36. Motion regarding whether to disclose the discussions during Closed Session.

ADJOURNMENT

NOTICE OF CHANGE OF MEETING SCHEDULE

Notice is hereby given that the Public Utilities Commission will hold regular and special meetings on the following dates and at the locations listed below:

<u>Date</u>	<u>Time</u>	<u>Location</u>
Tuesday, December 28, 1999	Meeting Cancelled	
Tuesday, January 4, 2000	1:30 P.M.	1155 Market Street, Room 402
Tuesday, January 11, 2000	1:30 P.M.	1155 Market Street, Room 402
Tuesday, January 18, 2000	1:30 P.M.	1155 Market Street, Room 402
Tuesday, January 25, 2000	1:30 P.M.	City Hall, Room 400
Tuesday, February 1, 2000	1:30 P.M.	1155 Market Street, Room 402

Beginning February 8, 2000, the Public Utilities Commission will resume its regular meeting schedule of the second and fourth Tuesday of each month, at 1:30 P.M., in Room 400, City Hall, 1 Dr. Carlton B. Goodlett Place.

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MINUTES

PUBLIC UTILITIES COMMISSION CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

REGULAR MEETING

December 14, 1999
1:30 P.M.
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras

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System Planning Environment and Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

1. Call to order: 1:35 P.M.
2. Roll Call: Present - President Ann Moller Caen, Vice President Frank L. Cook, Commissioner Victor G. Makras
Excused - Commissioner E. Dennis Normandy
3. Approval of Minutes
There was none.
4. Communications
No action was taken.
5. Introduction of Old/Ongoing Business by Commissioners

Commissioner Makras referred to two letters received by the Commission expressing concerns regarding the composition of the panel that will evaluate and select the Program Manager for the Capital Improvement Program. He asked whether there were any changes to staff's recommendation due to issues raised in the letters. Anson B. Moran, General Manager of Public Utilities, responded that the anonymous letters expressed concerns about the technical expertise of the panel members and representation as far as minorities and women. He stated that those were the same issues raised by the Commission and the source of direction to staff to find a sixth member who would be a women engineer. He said the criteria he used for selecting the members of the panel reflected the wishes of the Commission and given the initial direction it is appropriate to proceed with the panel approved by the Commission.

President Caen stated that she felt uneasy with letters were not signed. Commissioner Cook commented that he was confident with staff's recommendation as it was based on the direction of the Commission. He stated that the two anonymous letters do not have value and those people protesting should identify themselves. He suggested moving forward with the selection panel approved by the Commission.

Mr. Moran noted that the panel is not yet complete as one of the five members withdrew from the panel. He said he would be looking for a replacement for the fifth member and had received nominations for the sixth member as directed.

President Caen directed staff to schedule this matter on the January 4, 2000 meeting to request approval for the sixth member of the panel and replacement for the fifth member.

6. Introduction of New Business by Commissioners

There was none.

7. Report of the General Manager

Y2K Report

Mr. Moran reported that the PUC is fully compliant and staff is preparing for a high level of readiness on New Year's Eve.

Commission Meeting Schedule

The Public Utilities Commission will hold regular and special meetings on the following dates and at the locations listed below:

<u>Date</u>	<u>Time</u>	<u>Location</u>
Tuesday, December 28, 1999	Meeting Cancelled	
Tuesday, January 4, 2000	1:30 P.M.	1155 Market Street, Room 402
Tuesday, January 11, 2000	1:30 P.M.	1155 Market Street, Room 402
Tuesday, January 18, 2000 (will be revised)	1:30 P.M.	1155 Market Street, Room 402
Tuesday, January 25, 2000	1:30 P.M.	City Hall, Room 400

The budget will be scheduled for adoption on January 25; January 18 will be rescheduled; and the previously planned February 1, 2000 meeting is cancelled.

Beginning January 25, 2000, the Public Utilities Commission will resume its regular meeting schedule of the second and fourth Tuesday of each month, at 1:30 P.M., in Room 400, City Hall, 1 Dr. Carlton B. Goodlett Place.

8. Public comments on matters that were not on today's agenda.

Mr. Nate Ratner inquired about the results of Propositions A & B. He requested that within the next 10 to 15 days he would like to obtain a complete description of the 67 projects, where it is going, how much has been spent, and how much was appropriated. Mr. Ratner expressed concerns about sewer jobs that take a long time to complete and why it takes a citizen to resolve a problem of the PUC, e.g. 3760 Webster Street, 21st and Ravendale, 20th and Yukon Streets.

REGULAR

9. Resolution commending Carolyn H. Olsen.

Commissioner Makras acknowledged Ms. Carolyn Olsen's excellent performance in her position as Assistant General Manager of Operations. He noted that one of the areas the Commission envisioned was achieving a diverse workforce. Mr. Moran was successful in establishing diversity in PUC management positions. Mr. Moran's hiring of Ms. Olsen was a breaking ground event and paved the way for others to become Assistant General Manager or General Manager. He stated that he was pleased to see the diversity in the PUC management today and he hoped that it continues.

President Caen acknowledged Ms. Olsen's extreme knowledge and great insight into problems. Commissioner Cook expressed gratitude to Ms. Olsen for her services to PUC.

Moved by Commissioner Makras, seconded by Commissioner Cook to adopt the following resolution; passed (3-0) unanimously.

Resolution No. 99- 0302: Commending Carolyn H. Olsen on the occasion of her retirement as Assistant General Manager, Operations.

10. Resolution commending Timothy M. Dayonot.

Commissioner Makras acknowledged Mr. Dayonot's work as a Manager of Governmental & Public Affairs. He thanked Mr. Dayonot for his efforts in bringing PUC to the public's view in a professional manner and representing the Public Utilities Commission and every employee in a Cadillac way. He stated that Mr. Dayonot was a constant voice and one that kept the Commission on the level quite a bit.

President Caen recognized Mr. Dayonot as a tremendous negotiator and spokesperson for the PUC during the last six years.

Commissioner Cook wished him luck in his new job with the State Department of Community Services and Development.

Moved by Commissioner Makras, seconded by Commissioner Cook to adopt the following resolution; passed (3-0) unanimously.

Resolution No. 99- 0303: Commending Timothy M. Dayonot for his services as Government and Public Affairs Manager.

11. Discussion of the General Manager's recommendation regarding the Citizens Advisory Committee on Wastewater.

Mr. Moran reported that staff's recommendation was to maintain and broaden the scope of services of the Citizens Advisory Committee (CAC) so that it can provide counsel to the General Manager of PUC and the Commission with respect to the capital improvement program, represent the point of view of the CAC to the Commission and represent the need for and the reasoning behind the capital program to the public at large.

Jane Nurre, Vice President and Secretary of the Citizens Advisory Committee (CAC) on Waste Water Management, thanked staff for their support in expanding CAC's role. She stated that a new and expanded CAC would be a bridge to the public, as it will bring real public participation. She suggested creating a committee to set up a working structure for the new CAC.

George Tainter, a member of the Citizens Advisory Committee, spoke in favor of expanding the role of the CAC.

Corrie Woods commented in support of a reconstituted CAC. She suggested that the terms of CAC members be staggered and appointed by the PUC, the Mayor and the Board of Supervisors. She also suggested forming three subcommittees for each division in the PUC: Water, Hetch Hetchy and Clean Water Program.

Nate Ratner commented about the accomplishments of the CAC.

Art Jensen, General Manager of the Bay Area Water Users Association, expressed support in a reconstituted CAC. He suggested considering the possibility of coordinating PUC activities and communications with the CAC.

President Caen directed staff to schedule this matter for the next PUC meeting.

12. Presentation on the development and implementation of a Preventive Maintenance Program in the Water Supply & Treatment Division.

Frances McCormick, Associate Mechanical Engineer at the Water Supply & Treatment Division, presented a report, using overhead slides, concerning the development and implementation of a Preventive Maintenance Program in the Water Supply & Treatment Division. The Preventive Maintenance Program was developed to correct deficiencies and improve the department's preventive maintenance system. A survey conducted by the Productivity Task Force found that PUC is behind in the water industry in scheduling, planning and documenting maintenance work.

Ms. McCormick reported that staff had used in-house resources and professional service support to develop and implement a preventive maintenance program. They have developed a system of documenting maintenance work for use in planning future equipment replacement. They compiled manufacturer recommended

preventive maintenance for all critical equipment, assigned time period to the maintenance task and determined staff requirements to complete the task. This system had been implemented at the Harry Tracy Water Treatment Plant and would be implemented within the Water Supply & Treatment Division by the end of next year.

Ms. McCormick stated that the PUC is also deficient in the area of predictive equipment maintenance. Predictive maintenance is based on measurable observation about how specific equipment is functioning. There are existing technologies that help determine the operating condition of a piece of equipment so that equipment can be scheduled for service at the best possible time to prevent problems. The department purchased an infrared imaging system recently.

Cheryl Davis concluded that the presentation was aimed to provide the Commission with feedback on how the money that was approved in the budget was effectively used.

13. Presentation on activities and accomplishments of the PUC Dive Team.

Tony Flores, Manager of the City Distribution Division, discussed the functions and scope of work of the Dive Team. The Dive Team was established to perform facility inspections and emergency work. He showed slides of emergency response dives conducted by the team at various facilities, e.g. Lake Cherry and Lake Eleanor. Mr. Flores introduced the members of the Dive Team: Doug Gramberg, Larry Anderson and John Jordan.

Karen Kubick of the Utilities Engineering Bureau talked about the contributions of the Dive Team to capital improvement projects and water quality efforts. The activities of the Dive Team include internal and external inspections of reservoirs, tanks and pipelines, responding to water quality incidents, assist in the rehabilitation of facilities, remove debris, and obtain samples for water quality testing.

Mr. Flores, Manager of City Distribution Division, noted that this service was offered on an emergency basis to the City of Daly City at one time and perhaps could be expanded to other BAWUA agencies.

14. Discussion and possible action related to the SFPUC Housing Policy.

Moved by Commissioner Makras, seconded by Commission Cook to continue Item 14 to the call of the Chair; passed (3-0) unanimously.

15. Discussion and possible action related to the repair of the San Joaquin Pipeline No. 3 in the Hetch Hetchy Aqueduct.

Commissioner Cook moved, seconded by Commissioner Makras to adopt the following resolution; passed (3-0) unanimously:

Resolution No. 99-0304: Ratify the Declaration of Emergency made by the President of the Public Utilities Commission, approve expenditure of funds for \$610,000, and request the Board of Supervisors to approve the expenditure of funds to detect and repair corrosion in San Joaquin Pipeline No. 3.

LEASES AND PERMITS

16. Discussion and possible action related to the lease of approximately 0.80 acres of PUC land located on a portion of Parcel 173 of Bay Division Pipeline Nos. 3 and 4 right of way in Sunnyvale, California.

Commissioner Cook moved, seconded by Commissioner Caen to adopt the following resolution; passed (3-0) unanimously:

Resolution No. 99-0305: Authorize a lease with The Irvine Company, as lessee, for parking and landscaping purposes at an initial rental rate of \$10,440.60 per year.

CONSTRUCTION CONTRACTS

Advertise

Commissioner Cook moved, seconded by Commissioner Makras to adopt Item Nos. 17 and 18 collectively; passed (3-0) unanimously:

17. Resolution No. 99-0306: Approve the final plans and specifications and authorize advertisement for proposals for Clean Water Program Contract No. CW-205, 4th Avenue/5th Avenue/Paris Street Sewer Replacement.
18. Resolution No. 99-0307: Approve the final plans and specifications and authorize advertisement for proposals Clean Water Program Contract No. CW-225, Sutter Street and Golden Gate/21st Avenues Sewer Replacement.

Amend

19. Discussion and possible action related to San Francisco Water Department Contract No. WD-2290, Sunol Water Temple: Phase I Building Restoration.

Staff Recommendation: Approve additional funding of \$469,000; approve contract modification No. 1 in the amount of \$384,999 and extension of contract time by 60 calendar days; approve reallocation of \$269,000 from Millbrae North Building Project, and \$200,000 from Millbrae Office – Rollins Road and Harry Tracy Water Treatment Plant/Quality and Reliability Enhancement Program Office Remodel Project.

Michael Quan, Manager of Utilities Engineering Bureau, reported that during the seismic upgrade of the temple, unforeseen conditions in the interior of the columns necessitated revisions to the seismic design. Four out of the 12 columns of the temple were found to be solid concrete and needed to be retrofitted differently from the eight columns. Mr. Quan explained that there was no way of knowing the condition of the columns, as there were no as-built drawings available during the design phase of the project. The redesign effort would require \$469,000 of additional funding and an extension of time of 60 days.

Commissioner Makras moved to adopt staff's recommendation. Commissioner Cook seconded.

President Caen commented that she was uncomfortable with the proposal due to the \$1 million increase in cost and expressed concern that this work could be done for less. Lena Ch'en, Project Manager, stated that staff had researched industry standards in core drilling work and considering that it is a very specialized trade she felt that the cost was reasonable.

Commissioner Makras commented that the person hired to evaluate the columns missed the mark and should give us back our money. Commissioner Cook added that the error made by the consultant caused a change order that cost more than when the work was first contracted out.

Commissioner Cook withdrew his second and requested that staff provide the Commission with the other bid proposals for the contract. President Caen agreed. The motion to adopt the staff recommendation died for lack of a second.

Commissioner Makras requested that staff provide a breakdown of the cost of initial scaffolding and the monthly rental rate. He thought that \$37,000 was excessive for the extra work. Allan Johanson, Resident Engineer for the project, stated that scaffolding work was increased to investigate the as-built condition of the columns, to enable closer inspection, drill the cores and be able to videotape the interior.

Commissioner Makras asked for an explanation regarding the \$5,000 non-labor consultant cost. Mr. Quan responded that the non-labor consultant refers to the professional service contractor we contracted with to recommend an alternative approach regarding seismic retrofitting of the columns.

President Caen directed staff to return to the Commission with more details regarding the additional funding being requested.

PROFESSIONAL SERVICE CONTRACTS

Amend

20. Discussion and possible action related to UEB Contract No. CS-502, Specialized Engineering Services.

Moved by Commissioner Makras, seconded by Commissioner Cook to adopt the following resolution; passed (3-0) unanimously:

Resolution No. 99-0308: Extend the contract with Harza Engineering Company, Contract No. CS-502, to May 30, 2000 at no additional cost.

21. Discussion and possible action related to the agreement with Montgomery Watson/Ellington/Balloffet Joint Venture to prepare the Water Supply Master Plan.

Staff Recommendation: Extend the term of the contract with Montgomery Watson/ Ellington/Balloffet Joint Venture by five months from January 8, 2000 to June 8, 2000 at no additional cost.

Commissioner Cook moved to adopt the recommendation.

President Caen expressed concerns regarding the time delays in the project. Ms. Williams stated that the time extension was for the public relations program.

Commissioner Makras stated that he would not support the time extension requested, as the necessity of a six-month extension was not clearly demonstrated by staff. He expressed concerns that delays cost us staff time. He was concerned that with projects being integrated with one another, meeting our milestones is essential. Mary Williams, Project Manager, stated that the delay was caused by new information provided by the Water Supply Reliability Project, which was recently completed.

Commissioner Cook withdrew his motion.

Commissioner Makras requested staff to provide a draft copy of the Water Supply Master Plan. He also requested an economic analysis of the contract showing the budget for various tasks and how much had been spent on the project. He suggested that time extensions should be requested ahead of time in fairness to staff, contractor and the Commission.

Arthur Jensen, General Manager of the Bay Area Water Users Association, commented that the recommendations and the report concerning the Water Supply Master Plan were to come from the steering committee and the Committee had not seen the draft plan.

Moved by President Caen, seconded by Commissioner Makras to continue Item 21 to the next meeting; passed (3-0) unanimously.

22. Discussion and possible action related to the professional services agreement with Public Affairs Management, Inc. for the Watershed Management Plan project.

Timothy Dayonot, Government & Public Affairs Manager, stated that the extension of time would allow the department to continue to provide a public education program concerning the Watershed Master Plan. He said that \$30,000 is still available in the contract.

Commissioner Makras stated that he would not support the request for extension. He said he wanted to see what staff wanted to achieve with the \$30,000 within the 120 day period. He was also concerned that staff waited until now to request the extension when the contract had already expired on October 31, 1999.

Cheryl Davis, Manager of the Water Supply & Treatment Division, expressed the need for professional services and staffing support for public education for this project and requested that the contract be extended for a longer period.

Commissioner Cook suggested amending the recommendation and extending the contract for six months to allow more time to achieve the goals for spending the \$30,000. President Caen seconded. Motion passed (3-0) unanimously.

Resolution No. 99-0309: Extend the term of the contract with Public Affairs Management, Inc. by six (6) months.

CLOSED SESSION

23. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b)(c) and Conference with Real Property Negotiator – Pursuant to Government Code Section 54956.8 and Administrative Code Section 67.8:

Anticipated Litigation: As Plaintiff and as Defendant
Property: 500+ acres of San Francisco Water Department property on Bernal Avenue in Alameda County
Parties Negotiating: Lymburn/Thompson/Malamut
City of Pleasanton
Under Negotiation: Terms and Conditions

No action was taken.

24. Conference with Real Property Negotiator – Pursuant to Government Code Section 54956.8 and Administrative Code Section 67.8:

Property: Sunol Land Parcel 65, San Antonio Lands Parcel 62
Parties Negotiating: CCSF – Dowd/Koopman
Lessee: Mr. Shawn Mott
Under Negotiation: Potential Lease

No action was taken.

25. Conference with Real Property Negotiator – Pursuant to Government Code Section 54956.8 and Administrative Code Section 67.8:

Property: 639 Bryant Street
Parties Negotiating: CCSF – Dowd/Klein
Grantor: Department of Parking & Traffic
Under Negotiation: Potential Sale

No action was taken.

26. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a) and Administrative Code Section 67.8:

Existing Litigation: Tempco Disaster Services, Claim No. 98W0023-10/00-00127

Moved by Commissioner Makras, seconded by President Caen to recommend a settlement; passed (3-0) unanimously.

Resolution No. 99-0310: Recommend to the Board of Supervisors a settlement in the claim of Tempco Disaster Services, Claim No.

27. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a) and Administrative Code Section 67.8:

Existing Litigation: Ng Chun Kwong, Claim No. 98W0023-2/99-00835

Moved by Commissioner Makras, seconded by President Caen to recommend a settlement; passed (3-0) unanimously.

Resolution No. 99-0311: Recommend to the Board of Supervisors a settlement in the claim of Ng Chun Kwong, Claim No. 98W0023-2/99-00835.

28. Conference with Negotiator – Collective Bargaining – Pursuant to Government Code Section 54957.6 (a) and Administrative Code Section 67.8:

Negotiator: Alice Villagomez
Organization: Unions – All
Issues: All

No action was taken.

29. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(b)(c) and Administrative Code Section 67.8:

Existing Litigation: CCSF v. Hetch Hetchy Mountain Spring Water Company (Trademark Application Serial No. 75-519694)

No action was taken.

30. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a) and Administrative Code Section 67.8:

Existing Litigation: Bay Delta Hearings before the State Water Resources Resources Control Board.

No action was taken.

31. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a) and Administrative Code Section 67.8:

Anticipated Litigation: As Plaintiff

No action was taken.

32. Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a) and Administrative Code Section 67.8:

Anticipated Litigation: As Defendant
Regarding Local Watershed Fishery Issues

No action was taken.

33. Public comments on matters to be discussed in Closed Session.

There was none.

34. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

Moved by Commissioner Cook, seconded by Commissioner Makras, to assert the attorney-client privilege; passed (3-0) unanimously.

The Public Utilities Commission went into Closed Session at 3:40 P.M. to discuss the above listed Closed Session items:

At 5:25 P.M., the Commission reconvened in open session.

35. Announcement following Closed Session.

President Caen announced the actions taken during the Closed Session.

36. Motion regarding whether to disclose the discussions during Closed Session.

Moved by Commissioner Cook, seconded by Commissioner Makras, not to disclose the discussion during the Closed Session; passed (3-0) unanimously.

Thereupon, the meeting was adjourned: 5:26 P.M.

Romaine A. Boldridge
Secretary

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*12/14/99
Special*

AGENDA

PUBLIC UTILITIES COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

SPECIAL MEETING

December 14, 1999

*Immediately following the 1:30 P.M. Regular Meeting
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place*

COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras

DOCUMENTS DEPT.

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DEPARTMENTS

Water Department
City Distribution Division
Water Supply & Treatment
Hetch Hetchy Water & Power
Clean Water Program
Water Pollution Control

BUREAUS

Commercial Land Management
Customer Service
Finance
Management Information Systems
Personnel and Training
System Planning Environment and Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

Disability Access

The Public Utilities Commission meeting will be held in Room 400, City Hall, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA. The Commission meeting room is wheelchair accessible. The closest accessible BART station is the Civic Center Station at United Nations Plaza and Market Street. Accessible MUNI lines serving this location are: #42 Downtown Loop, and #71 Haight/Noriega and the F Line to Market and Van Ness and the Metro Stations at Van Ness and Market and at Civic Center. For information about MUNI accessible services call (415) 923-6142. There is accessible curbside parking adjacent to City Hall on Grove Street and Van Ness Avenue and in the vicinity of the Veterans Building at 401 Van Ness Avenue adjacent to Davies Hall and the War Memorial Complex.

The following services are available on request 48 hours prior to the meeting; except for Monday meetings, for which the deadline shall be 4:00 p.m. of the last business day of the preceding week: For American sign language interpreters or the use of a reader during a meeting, a sound enhancement system, and/or alternative formats of the agenda and minutes, please contact Romaine Boldridge at (415) 554-3165 or our TDD at (415) 554-3488 to make arrangements for the accommodation. Late requests will be honored, if possible.

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Know your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code)

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils, and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at (415) 554-4851.

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Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance [SF Admin Code §16.520-16.534] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 1390 Market Street #801, San Francisco, CA 94102, telephone (415) 554-9510, fax (415) 703-0121 and web site <http://www.ci.sf.ca.us/ethics/>.

ORDER OF BUSINESS:

1. Call to Order
2. Roll Call

THE FOLLOWING MATTERS BEFORE THE PUBLIC UTILITIES COMMISSION ARE RECOMMENDED FOR ACTION AS STATED, BY THE GENERAL MANAGER OF PUBLIC UTILITIES, AND CITY ATTORNEY WHERE APPLICABLE.

CLOSED SESSION

3. Public Employee Appointment/Hiring - Pursuant to Government Code Section 54957 and San Francisco Administrative Code Section 67.10(b):
Position: General Manager of Public Utilities
4. Public comments on matters to be discussed in Closed Session.
5. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

THE PUBLIC UTILITIES COMMISSION WILL GO INTO CLOSED SESSION TO DISCUSS ABOVE LISTED CLOSED SESSION MATTERS.

FOLLOWING THE CLOSED SESSION, THE PUBLIC UTILITIES COMMISSION WILL RECONVENE IN PUBLIC SESSION.

6. Announcement following Closed Session.
7. Motion regarding whether to disclose the discussions during Closed Session.

ADJOURNMENT

MINUTES

PUBLIC UTILITIES COMMISSION CITY AND COUNTY OF SAN FRANCISCO

Willie L. Brown, Jr.
MAYOR

SPECIAL MEETING

December 14, 1999
Immediately following the 1:30 P.M. Regular Meeting
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

COMMISSIONERS

Ann Moller Caen, President
Frank L. Cook, Vice President
E. Dennis Normandy
Victor G. Makras

DEPARTMENTS

Water Department
 City Distribution Division
 Water Supply & Treatment
Hetch Hetchy Water & Power
Clean Water Program
 Water Pollution Control

BUREAUS

Commercial Land Management
Customer Service
Finance
Management Information Systems
Personnel and Training
System Planning Environment and Compliance
Utilities Engineering Bureau
Water Quality

Anson B. Moran
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

1. Call to Order: 5:26 P.M.
2. Roll Call:

Present -	President Ann Moller Caen, Vice President Frank L. Cook, Commissioner Victor G. Makras
Excused -	Commissioner E. Dennis Normandy

CLOSED SESSION

3. Public Employee Appointment/Hiring - Pursuant to Government Code Section 54957 and San Francisco Administrative Code Section 67.10(b):

Position: General Manager of Public Utilities

No action was taken.
4. Public comments on matters to be discussed in Closed Session.

There was none.
5. Motion on whether to assert the attorney-client privilege regarding the matters listed above as Conference with Legal Counsel.

Moved by Commissioner Cook, seconded by Commissioner Makras, to assert the attorney-client privilege; passed (3-0) unanimously.

The Public Utilities Commission met in Closed Session at 5:27 P.M. to discuss the above listed Closed Session item. At 6:20 P.M., the Commission reconvened in open session.

6. Announcement following Closed Session.

President Caen announced the actions taken during the Closed Session.
7. Motion regarding whether to disclose the discussions during Closed Session.

Moved by Commissioner Cook, seconded by Commissioner Makras, not to disclose the discussion during Closed Session; passed (3-0) unanimously.

Thereupon, the meeting was adjourned: 6:21 P.M.

Romaine A. Boldridge
Secretary

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